(1943) Department.

M8 SERIES.

G.O. No. 126-27

Dated 4-2-43

[Despatch Abstract.]

Excise - Hemp Ganja - Supply to the Sandur Durbar Revision of arrangements - Sanctioned

C.F. 31—2,506—4-2-39

BOARD OF REVENUE (EXCISE) **DEPARTMENT.**

CURRENT No. 2625 D

Received 7 - NOV 1941 *Registered* 7.11.41 19

ORDER SECRETARY TO GOVERNMENT REVENUE DEPT.

Subject.

Hemp drugs - Ganja - Supply to certain Indian States Arrangements - Renewal -

---

C.R. No. 14855-Abk./41-A

Station Triplicane, Madras, *Dated the* 5-11-1941. 19

From

Sri Rao Sahib C. Raghavan, B.A.,
Secretary, Assistant Secretary,
Board of Revenue. (Excise)

E.M. Gawne Esq., I.C.S.,
Commissioner of Excise, Board of Rev., Sep. Rev., and
Commissioner of Commercial Taxes.

REFERENCE:-

The Board invites the attention of the Government to their Memorandum No.12 L/40-1, dated 6-1-40 and G.O.No.726-Rev., dated 19-3-40 directing the continuance of the arrangements for the supply of ganja to Cochin and Travancore States respectively for a period of two years from 1-4-40 subject to the payment of a fixed centage of Re.0-7-0 per seer of ganja on the issues made to the two States. The period of the existing arrangements will expire on 31-3-42 and the question of ~~his~~ its continuance of the arrangements after that date has to be taken up now.

2. The Board invites the attention of the Government to the working sheet submitted to them with the Board's reference C.R.No.12964-Abk. dated 24-10-39 which shows how the existing rate of centage of Re.0-7-0 per seer has been calculated. According to the revised working sheet enclosed, the centage now works

out to Re.0-9-0 per seer. The Board suggests that this rate of Re.0-9-0 per seer may be proposed to the Travancore and Cochin Governments and that the arrangements of supply to the two States may be renewed for a period of two years from 1-4-42.

3. In this connection the Board invites the attention of the Government to para (1) of their Order No.685-Rev., dated 5-3-40 in which they ordered that the centage charge on ganja supplied to the Pudukottai State would be reduced to 7 annas per seer from 1-4-40. According to the orders in G.O.No.2048-Rev., dated 18-9-36 the rate of centage payable by the Pudukottai Durbar will be periodically revised so as to correspond with the rate that may from time to time be in force in the case of Travancore and Cochin. The revised centage charge of Re.0-9-0 per seer recommended for Travancore and Cochin States from 1-4-42 may be adopted for Pudukottai State also for two years.

4. The Sandur State gets its supply of ganja on payment of a centage charge of Re.1-1-0 per seer under the arrangements sanctioned in G.O.No.Ms.593-Rev., dated 15-3-37 for a period of 5 years from 1-4-37. One of the conditions of the arrangements is that the centage charge shall be paid to the Madras Government at a rate that may be fixed from time to time by the Madras Government. As the period of the existing arrangements will expire on 31-3-42 the Board recommends the renewal of the arrangements for a period of two years from 1-4-42 subject to the payment by the Sandur Durbar of the revised rate of centage of Re.0-9-0 per seer recommended for Travancore and Cochin States from 1-4-42

5. In their letter No.Ms.604-Rev., dated 6-3-40 addressed to the Secretary to the Government of Orissa, Health and Local Self-Government Department, the Government reduced the centage charge to Re.0-7-0 per seer with effect from 1940-41 on the ganja supplied from the Vetapalem Storehouse to the shops in the areas transferred to the Orissa Province. The Board recommends that this rate of centage may also be suitably revised

with
effect from 1942-43 to conform to the rate of Re.0-9-0 per seer recommended for Travancore and Cochin States from 1-4-42.

6-11-41

ASSISTANT SECRETARY.

To the Secretary to the Government, Revenue Department (with a statement)

R.P.N.6/41.

6/11 6.11.41 6.11.41

Working sheet for centage charge with effect from 1-4-4

		Rs.
I. Charges for 1940-41		
(1) Cost of cultivation staff :— 1 Assistant Inspector for 6 months, 1 Asst. Inspr. for 3 months, xxx 1 Asst. Inspr. for 2½ months, 8 Sub Insprs. for 6 months, 4 Sub Insprs. for 2 months and 62 peons for 6 months and 64 peons for 2 months.		12,610
(2) Cost of Storehouse Staff :— (1.Asst. Inspr., 1 Sub Inspector, 1 ~~Peon and~~ Petty Officer and 6 peons)		4,326
(3) Petty Construction & Repairs charges (Actual expenditure in 1940-41)	..	1,842
	Total charges.	18,778
II. Net outturn of ganja - 1939-40.	..	789 Mds.
1940-41	..	1178 "
	Total.	1,967 Mds.

Average outturn = ~~Average~~ 984 Mds. or 39,360 Seers.

III. Cost per seer = I/II - Rs. $\frac{18,778}{39,360}$ = Rs.0 7 7 nearly

IV. Add 1 anna per seer as general overhead charges.

Total Centage charge per seer = 8 as. 7 pies or 9 annas nearly.

Working ... t for certain charge with effect from

I Charges for 19 0-41

(a) Cost of cul. lvati n & rif :-- I
' ...tenant .. c or ... 6 months,
... set. Ins r. ...r ... s, xxx
... set. Is r. for 3 mon ns, 8 Sul
Ins.re. for 6 months, ... Ins re.
for 2 months and 6c pers ...r
6 months and ... ons f r 3 months.

(2) Cost of Stor mouse ...tal :-- ...Asst.
Ins.r., I ... Ins ector, I hon and
5 ...ns) ...

(3) Petty Conservation . Re,airs charges
(Actual ex nditure in 1940-41)

Total charges. Rs.,75

II. Net outturn of ...ds - 1939-40. 780 ...a.

1940-41 1170 "

Total. 1,950 a.

Average outturn = ...d. or 39,360 Seers.

III. Cost per seer = IV/II - Rs.18,778 = Rs.0 7 ...r
39,360

IV. Add 1 anna per seer as general ov rhead charges.

Total Con...c charge ...r seer = 8 as. 7 pies or
9 annas nearly.

No.P3.3627/41. Resident's Office,

1642D Trivandrum, 7th November 1941

From

Lieut.Colonel G.P.Murphy,

Resident for the Madras States.

To

The Secretary to the Government of Madras,

Revenue Department,

Fort St. George.

EXCISE - Ganja - Travancore Government Supply to -

Sir,

I have the honour to invite a reference to Madras G.O.No.Ms. 726 dated 19th March 1940 and to request you, at the instance of the Travancore Government, to kindly let me know whether there is likely to be any change in the arrangements for the supply of ganja to the State after the 1st April 1942 when the existing arrangements terminate.

I have the honour to be,

Sir,

Your most obedient servant,

Lieut.Colonel.

R E S I D E N T.

Rev Copy

Letter No. 2625 D/41-2 Dt 29.11.41

To The Resident for the Madras States
Trivandrum

Sir,

Excise Hemp Drugs. Ganja -
Cochin, Travancore, Pudukkottai and
Pudukkottai States - Supply.

Your letter no P3. 3827/41 Dt 7.11.41

I am directed to state that H.
Govt are willing to continue the arrangement
for the supply of ganja to the States of Travancore
Cochin and Pudukkottai for a further period of
two years from 1.4.1942 subject to the modification
that Cartage charge will be recovered at the
rate of Rs 0-9-0 (Rs nil and annas nine only)
per seer as against the existing rate of seven
annas in the case of Travancore and
Cochin and Rs 1-1-0 in the case of Pudukkottai.

2 As regards the Pudukkottai State I am
to invite attention to the Proceedings
Memo no 2048 Rev Dt 18-9 in accordance with which
the rate of cartage charge payable by the Pudukkottai
State will be subject to periodical revision so as
to correspond with the rate that may from time
to time be in force in the case of the
and Cochin. The cartage charge of Rs 0-9-0 (Rs nil

Enclosure copy of memorandum dated 28/11

2 drafts A.M. 28/11

Rs 2 +10 28/11

Typed

28/11

Attention is invited to the
reference noted in the
margin
vide pp 17-18 infra

1151 52 (P)

and annas nine only) passed for Travancore
new Scheme will accordingly be recovered
from the Pudukkottai State also for a
period of two years, viz., 1.4.42.

3. A copy of the working sheet showing
how the centage charge of nine annas
has been arrived at is enclosed.

4. I am to enquire whether the above
proposals are acceptable to the
State concerned

Yours etc

Sd/-
8/11/41
for
18/11

Sd/-
18/11/41

Copy to the Working

Letter No 2625-D/41-3 dt 27.11.41
To the Secretary to the Govt of Cochin
Ernakulam

Sir

Excise - Hemp drugs. Ganja - Supply
through 1942-43 to the shops in the areas
transferred to Cochin - Centage charge

Copy with copy of working sheet
forwarded

Sd/-
28/11

I am directed to invite
attention to the Proceedings of this Govt no
1616 Rev dt 17.7.41 and to state that it has
since been found that the rate of Centage
charge to be levied for 1.4.42 works out
to nine annas per seer of ganja

(N)

H.S.C.

to repeat at this rate
and final payment with ~~loans &c~~
may be made by the Govt of Burma ~~at their cost~~
~~Govts~~ during 1942-43 as against the
existing rate of Seven annas per c
A working sheet showing how the
certain charges has been arrived at is
enclosed I have etc

p5 cl.

Recipient's Signature

Ltd
18/11/43
to
19/11

Ltd
18/11/43

Rv 2809 D
29/11/41

No.P3. 3627/41. Resident's Office,

Trivandrum, 26th November 1941.

From

Lieut.Colonel G.P.Murphy,

Resident for the Madras States.

To

The Secretary to the Government of Madras,

Revenue Department,

Fort St. George.

Excise - Ganja - supply to Cochin Government - Renewal of agreement -

Sir,

In continuation of my letter P3.No.3627/41 dated 7th November 1941, I have the honour to enquire, at the instance of the Cochin Government, the conditions on which the supply of Ganja to the State can be continued when the existing arrangements terminate on 31st March 1942.

As the rate of centage charges of the drug, which is 7 annas at present, is subject to periodical revision, the Cochin Government will be glad to be informed of the rate at which supply of Ganja could be arranged under the new agreement as also the details of calculation of charges.

I have the honour to be,

Sir,

Your most obedient servant,

Lieut.Colonel.

R E S I D E N T.

No. P3. 3627/41. **Resident's Office,**

2912 D
Trivandrum. 5th Decr.

FROM
Lieut.Colonel G.P.Murphy
THE RESIDENT FOR THE MADRAS STATES,
TRIVANDRUM.

To

The Secretary to the Government of Madras,
Revenue Department,
Fort St. George.

SIR, Excise - ganja - supply to the Madras States-
Ref:- Your letter No.2625-D/41-2 dated the
27th November 1941.

4 9-10 cards

Sir,

I have the honour to inform you that I have addressed Travancore, Cochin and Pudukkottai States in the matter and shall let you know, in due course, the result thereof. As regards Sandur, the Hon'ble the Resident in Mysore may be addressed as that State is in political relations with that officer since the 1st January 1939.

50 20/Years old now. Mrs [redacted] have the address Mysore Resident & Sandur

I have the honour to be, Sir,
Your most obedient servant,

Lieut.Colonel.

RESIDENT.

PN PD

No. Resident's Office,

Trivandrum.

From

The RESIDENT for the MADRAS STATES,

TRIVANDRUM.

To

Encl: Copy of G.O.593 Rev., dated 15-3-1937 and copy of working sheet on Page 5 C.F

Copy

LETTER No. 2625-D/41-4 dated 13.12.41

To

The Secretary to the

Hon'ble the Resident in Mysore.

Sir,

Excise - Hemp drugs - Ganja - Sandur State - Supply.

In the Proceedings of this Govt. No. 593 Revenue dated 15-3-1937 (copy enclosed) arrangements were made, with the concurrence of the Sandur Durbar, for the supply of Ganja to the Sandur State on the terms and conditions set out therein for a period of five years from 1-4-1937. Condition (1) provides, among other things that the Sandur Durbar shall pay the Madras Government a centage charg at a rate that may be fixed from time to time by the Madras Government. The existing rate of centage charge is Rs. Rs. 1-1-0 per seer.

2. The ~~existing~~ arrangements now in force expire on 31-3-1942. I am directed to state that this Government have no objection

to renew the arrangements for a further period of two years from 1-4-1942 on the terms specified in the ~~G.O.~~ Proceedings referred to above subject to the modification that centage charge will be recovered at the rate of Rs. 0-9-0 (Rupees nil and annas nine only) A copy of the working sheet showing how the centage charge of nine annas has been arrived at is enclosed.

I am to enquire whether the above proposals are acceptable to the Sandur Durbar.

I have etc.,

13/12/41

Copy to the Board of Revenue with copy of page 15 C.F

Rpt with cncl

16/12

No. P3. 3627/41. **Resident's Office,**

Trivandrum, 7th January *1942.*

FROM Lieut.Colonel G.P.Murphy,
RESIDENT FOR THE MADRAS STATES,
TRIVANDRUM,

To

The Secretary to the Government of Madras,

Revenue Department, Fort St. George.

Excise - ganja - supply to the Madras States.
Ref:- Your letter No.2625-D/41-2 dated the 27th November 1941.

Sir,

I have the honour to inform you that the Cochin Government accept the proposal contained in your letter referred to above. In this connection I invite a reference to the working sheet forwarded with your letter No.3452-D/34-7.dated the 14th April 1935, wherein it was noted that the cost of establishment for the supervision of cultivation at Santaravur was Rs.9,885 per annum. The corresponding charges for 1940-41 shown in the working sheet forwarded with your letter referred to above is Rs.12,610. The Cochin Government desire to know how such a substantial increase has occurred

I have the honour to be,

Sir,

Your most obedient servant,

Lieut.Colonel.

R E S I D E N T.

Rev Copy

Memo No 2625-D/41-

Excise Hemp drugs - Ganja -
Indian States - Supply of

Copy from the Board of Rev ER 14855
A&E/41-A dt 5.11.41.

from the Resident for the Madras
States no P3. 3627/41 dt 7.1.42

p1-3 cf

p19 cf

A copy of the letter from the
Resident for the Madras States dt 7.1.42,
quoted above, is forwarded to the Board of Rev.

p19 cf

Rev - pencil
Copy of letter from the
resident and the reply to him

16/1/42
for
19/1

Letter No 2625-D/41-5 D dt 16.1.1942

To

The Resident for the Madras States
Trivandrum

Sir

Excise - Hemp drugs - Ganja -
Indian States - Supply of - Your
letter No P3 - 3627/41 dt 7.1.42

With reference to your
letter quoted above I am directed to

pencil: note
put up
A.O. 17/1

D.O. to file
17/1

17/1

16/1/42

D.O.
issued
20/1

p19 cf

I Note that the amount of Rs 96—/— referred to in your letter represented the cost of the following establishment employed in 1933-34:—

(1) One Asst Inspector for 6 months. ✓
(2) One Asst Inspector for 3 months.
(3) ~~Eight~~ Eight Sub Inspectors for 6 months and
(4) Sixty-two peons for 6 months.

see item (1) on p 29 and also on p 39 of (X)

This staff proved utterly inadequate

See 'A' on p 5 of

(An extra staff of one Asst Inspector (for 2½ months), four Sub Inspectors (for 2 months) and 64 peons (for 2 months) had to be employed from during 1934-35 to make the supervision work adequate and effective. The sum of ~~the increase of cost for Rs 2,935~~ & Rs 12,600/- represents the cost of staff employed during 1940-41)

I have etc

Copy to Secy to Govt. with copy of Resident's letter dated 15th Aug for info

15/8/42

16/8/42

23 23
29 + D
2242

No. P.3-3627/41. **Resident's Office,**

Trivandrum, 26th Jan. *1942*.

Lieut. Colonel. G.P. Murphy,
~~The~~ RESIDENT FOR THE MADRAS STATES,
TRIVANDRUM,

To

The Secretary to the Government of Madras,
Revenue Department,
Fort St. George.

SIR, Excise - ganja - supply to the Madras States -
Ref:- Your letter No.2625-D/41-2 dated the
27th November 1941.

p 9 above

The Travancore Government and the Pudukkottai Darbar are willing to purchase ganja from the Government of Madras for a period of two years from the 1st April 1942 at a centage charge of nine annas per seer.

I have the honour to be,

Sir,

Your most obedient servant,

Lieut. Colonel

Resident for the Madras States.

RS.

A. No. 127/2.
2
1/12/V

Rev. Dept

Memo. No. 2625 D/41-6 dt 11-2-42

Excise - Hemp drugs - Ganja - Supply to the Govts of Travancore, Cochin and Pudukkottai

To the Resident for the Madras States letter No. 2625 D/41-2 dt 27-11-41

From the Resident for the Madras States, No. P3 3627/41 dt 7.1.42

No. P3 3627/41 dt 26-1-42

The Board of Revenue is requested to continue the arrangements for the supply of ganja to the States of Cochin, Travancore and Pudukkottai for a

period of two years from 1-4-42 at a Centage charge of 9 annas per seer.

2. As regards the supply of ganja to the Sandur State for a further period of two years from 1-4-42 the Reply from the Resident in Mysore is awaited.

Rw
9/2
9/2

10/42

Passed by (T.V.)

To the Board of Re
from the Residency
the Madras States wing
(para 1 only) C.L

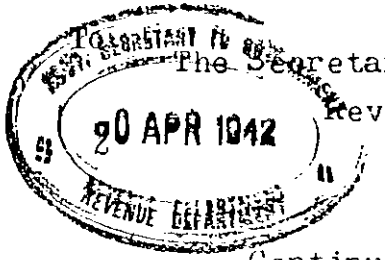
The reply to this communication should be addressed to the Secretary to the Resident in Mysore, Bangalore, by designation and not by name.

No. B.S.1-40/G & A.

R 969 D
2044.

FROM

THE SECRETARY
TO THE HON'BLE THE RESIDENT IN MYSORE.



The Secretary to the Government of Madras,
Revenue Department, Madras.

Dated Bangalore, the 17 April *1942.*

Continuance of arrangements for the supply of ganja to Sandur State from 1st April 1942.
Your letter No.2625 D/41-4, dated the 13th December 1941.

SIR,

In continuation of my letter No.B.S.1-40/G & A, dated the 25th March 1942, I am directed to say that the Sandur Darbar write that they do not propose to renew the arrangements for the supply of ganja, since they have decided to cultivate ganja in the State itself from this year. Till the new supply of ganja is available within the State itself, they will procure their supplies from the ware-houses either in the Madras Presidency or in Mysore.

I have the honour to be,
Sir,
Your most obedient servant,

for SECRETARY TO THE RESIDENT.

ksln.

Rev. Dept

Excise - Hemp drugs - Ganja supply to the Sandur State - from the Secy to the Hon'ble the Resident in Mysore, letter No. B.S. 1-40 dt 14.4.42.

Encl No. 2625 D/41-8 dt 30-4-42

~~Communicated to the Bd of Rev. : Continuation of Memo No 2625 dt 11.2.42.~~

required to me for, as per remarks at an early date with reference to the last letter in the case

30/4

To the Bd of Rev (with C/F 27 ff.)

Copy to the Secy to the Hon'ble the Resident in Mysore (with C.L.)

Dealt with accdl.

1/5/42

C.F. 31—2,506—4-2-39

Board of Revenue (Excise) **DEPARTMENT.**

CURRENT No.

Received _____ 19 *Registered* _____

Subject.

HEMP DRUGS - Ganja - Supply to Sandur State - Arrangements - Discontinuance - Report to Government.

I C.R. No.14855 Abkari/41-A.1

Station Salem, *Dated the* 17th JUNE 19

From - S.M. Hamilton Esq.,

Secretary, Assistant Secretary;

Board of Revenue. (Excise)

J.B. Brown Esq., C.I.E., I.C.S.,
Commissioner of Excise, Board of Revenue (Sep.Rev.)
and Commissioner of Commercial Taxes.

Read the following::

From Government, Revenue Department, Endorsement No.2625-D/41-8 dated 30th April 1942.

REFERENCE:

The Board invites the attention of the Government to their Order No.428 Political dated 24th July 1905. Prior to 1-4-1906, the Sandur State was cultivating Ganja in the State in about an acre of land. The average yield appears to be between 4 and 5 maunds per acre as compared with the yield of 4.5 maunds per acre, for ganja of good quality as manufactured and accepted at Vetapalem for the 1941-42 season The issues from the state shop prior to 1-4-1906 were also about 4 to 5 maunds a year.

From 1-4-1906 to 31-3-1937, the State was getting its supply of ganja from the Madras Government. Under the last arrangement entered into by the Madras Government with the Sandur State for a period of 5 years from 1-4-37 to 31-3-1942 in G.O. No.593 Ms., Revenue, dated 15th March 1937, the supply of Ganja was made subject to payment by the

the State of a centage charge of Rs.1-1-0 per seer to Government in addition to cost price to the stock-holders.

Licensed vendors in this Province who obtain their supplies from the Store House at Vetapalem, pay at the rate of Rs.30/- per seer towards duty and Rs.2/- per seer to the stock holder as cost price for ganja. The supply to the ganja shop in the State under the last arrangements is as noted below:-

Year	Annual issues in seers
1937-1938	25
1938-1939	24
1939-1940	31
1940-1941	15
1941-1942	20

The average retail selling price of ganja sold in the State shop is 10 to 14 annas per tola as compared with 8 to 12 annas per tola in the neighbouring British shops. When the supply was made by the State no duty appears to have been charged, and the shop keeper was required not to charge more than one anna a tola for ganja. The amount of compensation of Rs.400/- which was paid to the State prior to 1-4-1937 was in lieu of duty recovered from the State on issues made. When supply was made by the State, the shop used to be leased out for Rs.365/- per year. In the circumstances, if the State is to take over the supply of Ganja, they may be asked to levy an equivalent duty and cost price not lower than Re.1/- per seer and to lease out the shop annually. With these precautions, the selling price in the State shop cannot be reduced to such an extent as to create an incentive to smuggling.

The State may also be requested to fix no maximum selling price but a minimum selling price of 8 annas per tola, if they have no objection and to prescribe 3 tolas as the limit of private possession.

ASSISTANT SECRETARY.

To the Secretary to Government
Revenue Department

ek/18.6

sw today.
Mes. (contd) Letter no. 2625 Dis. — 7. IV. 22 — 1. 42

Enclosures
1) Letter and enclosure
I.) as per 81-89 Gis. 593-94
4) Letter of A.G.G. Madras States Rec'd 15.3.37.
3) Gis. Letter as per 145-1 of Gis. no. 593-94 Rec'd 15.3.37

From — The Secretary to the Hon'ble the Resident

Subject — Drugs — Ganja — Sanctions State — Supply.

Reference: correspondence ending with
letter no. B.S-1-40/G+A dt 14. 4. 42
and no. B.S. 1/40-G+A dt 23. 6. 42

I am directed to invite your attention to this Govt's letter no 3155-D/33-24 dt 20-8-36 addressed to the Agent to the Governor General, Madras States, and to the State. That the terms on which the Sanctions State accepted in 1937 under the arrangement in regard to the supply of ganja to the State are set forth in details in paras 2 and 3 of that letter and the enclosure sent with it.

The letter of the Agent to the Governor General, Madras States, dt. No. Pg-2027/33-dt 12.2.37, intimating the State's acceptance of those terms was communicated to this Govt under the letter of the Agent to the Govr Gl, Madras States No P-3-2027/33-dt/22.3.37. According to those terms the arrangement is a permanent one though the contract charges payable to this Govt are subject to revision from time to time, as it is intended to cover the actual costs incurred by this Govt

This arrangement ~~was~~ replaced the agreement ~~arrangement~~ of 1905, which was in the new ~~was~~ a permanent ~~agreement~~ arrangement that could only be modified by agreement of both Though this was ~~It was however not~~ specifically mentioned in the ~~first~~ orders issued by ~~in the Proceedings of the Govt~~ No. 5931 dt 15.3.37 (Communicated to the Agent to the Governor General, Madras States, with this Govt's letter No. 5944, dt 15.3.37), ~~that the~~ ~~arrangement was permanent though the~~ ~~centage charges then fixed were to be~~ ~~for five years from 1.4.1937.~~ ~~But this omission~~ ~~however,~~ This omission cannot alter the fact that ~~what~~ the State accepted was a permanent agreement. It was in ~~that~~ the permanent arrangement ~~that~~ already accepted that ~~One~~ pursuance of ~~of~~ this Govt. issued their G.O. ~~Proceedings~~ No. 593 Rev dt 15.3.37 sanctioning detailed arrangements for ... years; ~~mainly because they wished to receive~~ These detailed arrangements were sanctioned only for five years the rate of centage charges already to be fixed for a limited period would require revision in due course ~~the right, as they were entitled to do under the agreement, to refix the centage charges after that~~ ~~for~~

2. In view of the ~~above~~ facts set forth above, this Govt trust that ~~under~~ State will not pursue (made under a misapprehension as to the nature of the existing agreement)

produce its own ganja and will accept this Govt's proposal as to the centage charge of annas nine per seer to be fixed for two years from 1.4.42 in pursuance of the existing agreement.

11.7.42 17.7.42 08/7/42 I have, etc DWD 20.7.42

✓ Despatched 22/7/42

Copy to

CONFIDENTIAL. Public (Poll.) Department.

LETTER/REF. NO. 554-P/42-2 D/- 18 8-42

To The Secretary to H.E. the Crown Representative.

Sir

Subject: Indian States, - Sandur - Ganja cultivation.

I am directed to request that the ruling of H.E. the Crown Representative may be obtained in the following matter and communicated to this Government.

2. Until prior to 1-4-1906, the Sandur State grew a small quantity of Ganja (the maximum area under cultivation being about an acre) and was selling it at a very low price, in the only Ganja shop in the State. As this afforded opportunities for smuggling into the adjoining British territory, an agreement was reached between this Government and the State whereby this Government agreed to pay to the State a compensation of Rs.400/- per annum towards the loss of revenue on this account and the State on its part agreed

(1) to put down Ganja cultivation in the State,

(2) to allow British Abkâri Officers to patrol the villages in the State during the manufacturing season to see that cultivation had been effectively suppressed, and

(3) to obtain the Ganja required for its consumption from a Government Storehouse or a licensed shop keeper in British territory on payment of duty and cost price.

In 1933. the Sandur State asked for a revision of the agreement referred to above and suggested that the duty on Ganja consumed in the State should be credited to the State in addition to the compensation it received for surrendering the privilege of cultivating its own Ganja. After a good deal of correspondence, a revised agreement was reached for the supply of Ganja to the State by this Government and it was given effect to from 1-4-1937. Copies of this Government's letter to the Agent to the Governor-General No.3155-D/33-2/Rev. dated 20-8-1936 and his reply No.P3.2027/33 dated 12-2-1937 are enclosed in this

connection. Although it was intended that this agreement was to be of a permanent nature, as will be seen from para 2 of this Government's letter referred to above, the detailed arrangements were sanctioned by this Government for a period of 5 years from 1-4-1937 It will be noticed that the main conditions of the revised agreement were that the compensation of Rs.400/- per annum was no longer payable to the State, that all measures to prevent smuggling were ensured and that the State agreed not to grow its own Ganja. In arriving at these conditions this Government relied on the authority of paragraphs 185 and 188-A of Volume I of Tupper's Indian Political Practice and the foot note on page 36 of the Volume containing Audenda and Corrigenda to those volumes, under which

(1) it is the duty of Indian States to co-operate with the British Government in fiscal affairs

(2) no State may so arrange its fiscal affairs as to interfere with the operation of any general fiscal policy of the British Govt.

and (3) the production of any commodity may by agreement with the States concerned be entirely suppressed or limited to a supply required for consumption within the State.

4. Under the agreement of 1937, the Sandur State was getting its supply of Ganja on payment of a centage charge of Rs.1-1-0 per seer and in connection with the revision of those charges as from 1-4-42, the Hon. the Resident in Mysore has stated that the Sandur Durbar do not propose to renew the arrangements as they have decided to cultivate Ganja in the State itself from this year and ~~that~~ till the new supply becomes available, to procure their requirements from the warehouses either in the Madras Presidency or in Mysore.

5. On an examination of the pros and cons of the question, this Government have come to the conclusion that the agreement of 1937 is of a permanent nature and that the detailed arrangements under it were sanctioned

for 5 years merely because the rate of centage charges had to be fixed for a limited period and would require revision in due course. The Hon. the Resident in Mysor has accordingly been ~~told~~ informed that in view of these facts the Sandur State will not pursue its proposal to produc ts own Ganja but will accept this Government's proposa o fix the centage charges at 9 annas per seer for 2 ears from 1-4-42 (copy of letter enclosed).

6. In this connection, I am to enquire what degr f authority attaches to the rulings contained in the olumes of Tupper's Indian Political Practice and also whether there is any general rule or principle in orce under which the Sandur State's proposal to produ its own Ganja, which may prove detrimental to the evenues of this Province, ~~could~~ can be contested, in the State persists and does not agree to this Gove ment's suggestion. The orders of H.E. the Crown R tative on these two points may be communicated to th Government as early as possible.

I have etc.

Cue 28.7.42

AGG 28.7.42

29/7/42

J 7/8

Pub. (Poll) Deptt.

Letter No. 554(G)/42-4 Dt. 2-11-42

Ref.

To

The Secretary to H.E. the Crown Representative.

Sir,

Indian States - Sandur - Cultivation of Ganja - Ref. Your endt. letter No. 554-G/42-2 Dt. 18-8-42

I am directed to enquire when a reply ~~whether a decision has been reached in the matter~~ to the letter cited above may be expected.

Cue 29.10.42.

AGG 29.10.42.

31/10/42

fidential.

No.B.S.1-40/G & A.

From

The Secretary to the Hon'ble the Resident in Mysore.

To

The Secretary to
Government of Madras,
Revenue Department, Madras.

Bangalore, 16 Oct. 1942.

Proposal of the Sandur Darbar to resume cultivation of ganja in the State.

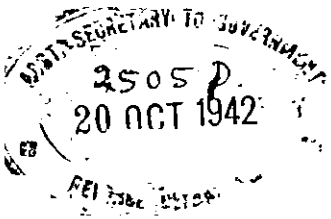
Sir,

I am directed to refer to your letter No. 2625 D/41-7, dated the 22nd July 1942, and to say that the views of the Government of Madras have not yet been communicated to the Sandur Darbar as the Hon'ble the Resident considered it desirable to ascertain the arrangements regarding the supply of ganja existing in the Travancore and Cochin States. Information regarding these two States has now been received from the Resident for the Madras States, and the Hon'ble the Resident proposes when he visits Sandur next in the near future, personally to discourage

the Darbar from cultivating ganja in the State.

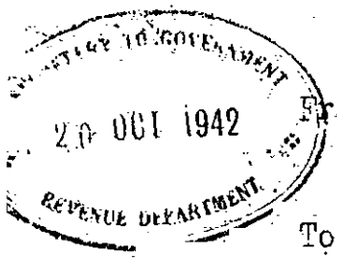
I have the honour to be.
Sir.
Your most obedient servant,

SECRETARY TO THE RESIDENT



Government of Orissa.
Education Department.

No. 11150 E(c)



From

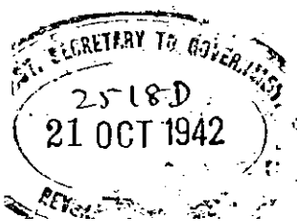
Rai Bahadur Samuel Das, M.A.,
Secretary to Government.

To

The Secretary to the Government of Madras,
Revenue Department.

Dated Cuttack, the 15th October 1942

Sub:-Excise-Hemp drugs- Ganja- Supply during 1942-43 to the shops in the areas transferred to Orissa centage charge.



Sir,

With reference to your letter No. 2625 D/41-3, dated 27th November 1941, I am directed to say that the Government of Orissa accept the proposal for payment of the centage charge at the rate of 9 annas, as against the existing rate of 7 annas, per seer of ganja to the Government of Madras, with effect from 1st April 1942, for supply of hemp drugs to the shops in the areas transferred from Madras.

I have honour to be,
Sir,
Your most obedient servant.

SECRETARY TO GOVERNMENT

O.M. No. 2625-D/41-14 dt 24/X/42

Excise - Hemp drugs - Ganja - Supply during 1942-43 to the shops in the areas transferred - centage charge - Rd/ Refer No. C.R. 14855 Abk/41-A dt 5.11.41 & Govt letter No. 2625/41-D dt 27.11.41 to the Govt of Orissa. Edn Dept.

The Board is informed that the Govt of Orissa have agreed to pay centage charge at the rate of 9 annas per seer with effect from 1.4.42 for the supply of liquid drugs to the shops in the areas transferred to Orissa Province from this Province

No.F.118(18)-T.B./42.

From The Secretary to His Excellency the Crown Representative

To The Secretary to the Government of Madras

Dated New Delhi, the 28th November 1942

Indian States -- Sandur , ganja cultivation.

Sir

I am directed to refer to your letter No.554-C/42-2, dated the 18th August 1942, in which the two following points have been raised:-

(a) what degree of authority attaches to the rulings contained in the volumes of Tupper's Indian Political Practice

(b) whether there is any general rule or principle in force under which the Sandur State's proposal to produce its own ganja which may prove detrimental to the revenues of the Madras Province can be contested.

As to (a) above. Tupper's Indian Political Practice contains a series of abstracts of decided cases in which important principles are involved and gives a fairly comprehensive account of past policy and practice. But neither the Government of India nor the Political Department are committed to any particular policy or course of action merely because such policy or action is contained in "Tupper". It is, indeed, quite possible that some of the decisions given in the many cases cited in "Tupper" might not now be upheld owing to changes in policy. Thus the case of each State requires consideration on merits and in view of the latest decisions and policy.

As to (b) above. Unless a State voluntarily surrenders under some agreement its inherent right to produce its own supply of any drug, it cannot be forced by a neighbouring Provincial Government to prohibit the cultivation of such a drug within its territory for home consumption. The Provincial Government can, however, safeguard their revenue interests by regulating or prohibiting the import of such drugs from the State territory into British Indian areas. In view of international commitments, the Indian States can, however, be required to assimilate as far as possible their excise policy with that in force in adjoining British territory.

In this case the Madras Government have put themselves out of court by making the public and official statement in paragraph 1 of their G.O.No.593, dated the 15th March 1937, viz:- "the Government sanction for a further period of five years from 1-4-37 a fresh arrangement for the supply of ganja to the Sandur State on the following terms and conditions". The arrangement cannot, therefore, be regarded as permanent subject only to revision of the rate of centage charge at the end of every five years. In view, however, of the action proposed by the Hon'ble the Resident in Mysore in his letter No.B.S.1-40/G and A. dated the 16th October 1942, addressed to the Revenue

Secretary of the Madras Government it has yet to be seen whether the good offices of the Resident will result in an amicable settlement."

I have the honour to be
Sir
Your most obedient servant,,

for Secretary to His Excellency the
Crown Representative

CONFIDENTIAL

No.B.S.1-40/G&A.

From

The Secretary to the Hon'ble
the Resident in Mysore.

The Secretary to the Government of Madras,
Revenue Department, Madras.

Dated Bangalore, the 4th January 1943.

Proposal of the Sandur Darbar to resume cultivation of ganja in the State.

Sir,

I am directed to refer to the correspondence ending with my letter No.B.S.1-40/G&A., dated the 16th October 1942.

2. The Hon'ble the Resident discussed the case with the Raja of Sandur during his visit to the State in December 1942. The Sandur Darbar have no intention of resuming the cultivation of ganja, but plead for some token recognition of their right to grow it. Their contention is that originally this token recognition took the form of annual compensation of Rs.400/- payable by the Government of Madras; but that this was abolished in the revised arrangements of 1937, against which Sandur entered a protest. Under these revised arrangements Sandur retained the entire duty on the ganja imported into the State from Madras, and this comes to Rs.1,000/- per annum approximately.

3. It is realised that the Government of Madras would be put to a loss if they were to resume the original compensation of Rs.400/- per annum and at the same time to allow the Darbar to retain the entire duty on ganja. But in view of the Darbar's plea for a token, the Hon'ble the Resident would suggest that the Darbar be allowed to retain ¾ths of the duty collected, and in lieu of the other ¼th be granted an annual fixed compensation equivalent to 1/4th of the average duty collected per year during the five years for which the agreement of 1937 has been in force. Financially this would make no difference either to the Government of Madras or to the Sandur Darbar, but at the same time a token recognition of the State's right to grow ganja would be provided for.

4. In view of the ruling of His Excellency the Crown Representative regarding the agreement of 1937 and of the fact that the arrangement suggested in paragraph 3 above will involve neither gain nor loss financially to either party, the Hon'ble the Resident hopes that the Government of Madras will agree to the arrangement suggested. If this is done, the Sandur Darbar are willing to enter into a new agreement to obtain their requirements of ganja from the Madras Government for a period of five years.

I have the honour to be,
Sir,
Your most obedient servant,

SECRETARY TO THE RESIDENT.

Revenue Department

Read: G.O. Ms. No. 593-594, Revenue, dated 15-3-37.
From the Board of Revenue, Ref. C.R.No.14855-Abk/41-A, dated 5-11-1941.
To the Secretary to the Honourable the Reside in Mysore, letter No.2625-D/41-4, dated 13th December 1941.
From the Secretary to the Honourable the Resident in Mysore No. B.S.1.40/G & A, dated 16 October 1942.
From the Board of Revenue, C.R.No. 14855-Abk.-A, dated 17th June 1942.
To the Secretary to the Honourable the Reside in Mysore, No. 2625-D/41-7, dated 22nd July 1942.
To the Secretary to His Excellency the Crown Representative Public (Pol.) No. 554 O/42-2, dated 18th August 1942.
From the Secretary to H.E. the Crown Represen tative No. F.118(18)-1B/42, dated 28-11-42.
From the Secretary to the Hon'ble the Resident i Mysore, No. N.S.140 G & A, dated 4-1-43.

The Government sanction for a period of five years from 1-4-42 a fresh arrangement for the supply of Ganja to the Sandur State on the following terms and conditions:

(1) The Ganja contractor of the Sandur State shall purchase the Ganja required for consumption in the State from the Government Store-House in the province of Madras ~~Presidency~~ on payment of the cost price to the stock-holder in the Government store-house and of a centage charge to the Govt. of Madras of annas nine per seer. (which will be liable to revision at the end of 2 years). The supply from the Government store-house will be authorised each time by the Commissioner of Excise, Madras, on the strength of an import certificate granted by the Sandur Darbar and countersigned by the Honourable the Resident in Mysore, and on production of a chalan evidencing payment by the State Contractor into a British Treasury in the ~~Presidency~~ Province of the centage charges due to the Madras Government.

(2) The Darbar shall adopt adequate measures to ensure that the price charged to the consumers in the State is not less than that prevailing in the adjoining districts of the Madras ~~Presidency~~ Province, a condition to this effect being inserted by the Darbar in the Vend licences issued by it. In order to facilitate the observance

observance of this condition, the Darbar shall cause the prices prevailing in the State shop to be intimated from time to time to the British Inspector of Excise of the Hospet Circle and the latter should supply similar information to the officers of the Darbar

(3) The Darbar shall adopt adequate measures to the satisfaction of the Madras Government for the protection of the revenues derived by the Government of Madras from Hemp Drugs

4) The Darbar shall prevent the cultivation of the Hemp plant and shall destroy the spontaneous growth of the plant throughout the State and shall also effectively prevent the smuggling of the Drug from or into British ~~xxxx~~ Territory. The Darbar shall maintain sufficient preventive staff to enforce the above condition-.

(5) The sale of Ganja in the State shall be restricted to the licensed shop. The Darbar shall not locate the shop nearer to the border than it is at present.

6) The Darbar shall pay to the Government of Madras every year one-fourth of the duty collected on Ganja in the State.

(7) The Government of Madras shall pay to the Darbar an annual fixed compensation equivalent to one-fourth of the average duty collected per year by the State during the five years ending with 31-3-1942. ~~as a token recognition of the Darbar's right to grow Ganja in the state.~~

2. The following letter will be sent to the Secretary to the Hon'ble the Resident in Mysore.

Board of Rev.
A.G. thro' Fin.
Pub. (POL.)
Govt. of India.
(Fin.Dept.)
Central Revenues.)

Revenue Department.

Letter No. 121 Dated 1943.

To

The Secretary to the Hon'ble
the Resident in Mysore.

Sir,

EXCISE--Hemp Drugs--Ganja--Supply to the Sandur State--Revision of arrangements--
Ref: Your letter No. B.S.1 40 G & A, dated 4th January 1943.

I am directed to enclose a copy of the Proceedings of the Madras Government No. 126 Dated 4.2.1943 sanctioning a fresh arrangement for

five years from 1-4-1942 on the terms and conditions set out therein. The amount of annual [illegible] Compensation payable to the Darbar may be [illegible] intimated to this Dept Y.O.S.

30.1.43

30/1/43

1.243

Enclosed in Cable as item 116 of 1943

The reply to this communication should be addressed to the Secretary to the Resident in Mysore, Bangalore, by designation and not by name.

SECRETARIAT INWARD No. S. 1-40/G&A.
1500 D
26 JUN 1942
D2
GENERAL DEPARTMENT

FROM

THE SECRETARY
TO THE HON'BLE THE RESIDENT IN MYSORE.

To

The Secretary to the Government
of Madras, Revenue Department.

Dated Bangalore, the 23rd June *1942*

Supply of ganja seeds to Sandur State.

SIR,

I am directed to say that the Sandur Darbar wish to purchase 12 seers of ganja seeds from the Vettapalayam Store-house. I am to enquire if this can kindly be arranged and, if so, to request that the seeds may kindly be supplied direct to the Sandur Excise Department.

I have the honour to be,
Sir,
Your most obedient servant,

Muhammad Ameen.

for SECRETARY TO THE RESIDENT

Rev Dept.

Excise - Ganja seeds - Supply to the Sandur Harbour

From the Secy to the Hon'ble the Resident in Mysore Letter No B.S.1.40/GHA dt 23.6.42

Cont No 15.00 D/42 - Dy.

Forwarded to the Secy of Rev for necessary action

2/. The proposals made in this Office D 14855 Abk/41A dt 17.6.42 ~~was a view to~~ ~~prevent smuggling of ganja from~~ to the Principality ~~is under consideration~~ ~~when the State undertakes own ganja~~ ~~under separate cultivation~~ regarding the cultivation of ganja by the Sandur State are separately under consideration

Draw in Rev

No. Letter No. 1500 D/42-1 dated 23-7-1942

To

The Secretary to the Hon'ble the Resident in Mysore

Rec'd on 24/7/42

Sir

Subj. Excise - Supply of ganja seeds to Sandur State.

Ref. to your letter No. B.S-1-40/G & A dated 23-6-42

~~This Govt. letter No. 2625 D/41-1 dated 22-7-1942~~

~~I am directed to invite attention to Govt. letter No. 2625 D/41-7 dated 22-7-42 and to state that, in view of the facts set forth in that letter, Govt. presume that the Sandur Darbar will~~

~~I am directed to invite attention~~

~~Govt. letter dated above and to state~~

~~Govt. presume that the~~

~~Darbar~~ ~~State~~

~~I am directed to state~~

~~I am directed to invite attention to Govt. letter No. 2625 D/41-1 dated 22-7-1942.~~

Encl. to file sent to Secy. & Govt. to say that this presume

its proposal to produce its own ganja, ~~if this~~
~~presumption is correct~~ ~~therefore it is for you that~~ that the question of
it also need not be pursued.
supplying ganja seeds to ~~the Southern States~~

55

No.BS.1-40/G&A

From The Secretary to the Hon ble the Resident in Mysore
To The Secretary to the Government of Madras,
Revenue Department.

Dated Bangalore, 27 Novr. 1943.

Supply of Ganja to Sandur.

I am directed to refer to your letter No.127, dated the 4th February 1943 and to say that the compensation payable by the Government of Madras to the Sandur Darbar under paragraph 1(7) of the G.O. M.S.No.126, dated the 4th February 1943 amounts to Rs.172-10-0 as follows:

Duty collected by the Sandur Darbar during 5 years from 1937-38 to 1941-42.

1937-38

	Rs.
1937-38	825/-/
1938-39	660/-/
1939-40	617/8/
1940-41	600/-/
1941-42	750/-/
Total	3452/8/

Average duty per year Rs.690/8/-
1/5 of the average duty Rs.172-10/

I have the honour to be,
Sir,
Your most obedient servant,

SECRETARY TO THE RESIDENT

Endt No 966 D/43-6 d 30.11.43

Govt Excise - Hemp drugs - Ganja - supply to Sandur Darbar - Position of arrangements - Annual fixed compensation payable to the Darbar

Read from the Secy to the Hon'ble the Resident in Mysore Endt No BS 11-c.n/43-44 d 27.11.43

A copy of the letter from the Secy to the Hon'ble Resident in Mysore quoted above is communicated to the Bd of Rev for necessary action.

30/11/43

Note Please see G.O. No 126 Rev dated 6.2.43 and the Resident's letter at Mr-2 cf. The letter may be communicated to the Bd after it is returned.

The above draft endt is submitted for

approval Publ(Poll) and finance may see 30-11-43 before issue Israel

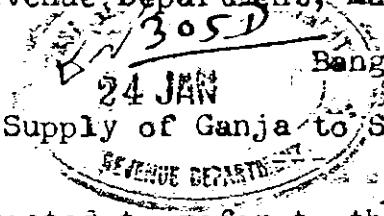
30/11/43 OK 30/11/43 KOB 30-11-43

C.F.

OK 3/12/43

No.BS.1-40/G&A

From The Secretary to the Hon'ble the Resident in Mysore.
The Secretary to the Government of Madras,
Revenue Department, Madras.



Bangalore, January 1944.

Supply of Ganja to Sandur.

Sir,

I am directed to refer to the correspondence ending with my letter No.BS.1-40/G&A., dated the 27th November 1943.

2. I am to enclose a copy of letter from the Assistan Secretary to the Board of Revenue, Madras, CR.No.12817 Abk./43-A5, dated the 10th January 1944, and to say that the Hon'ble the Resident considers that it would perhaps be easier and more convenient to set off, one against the other the payments due by the Sandur Darbar and the Government of Madras under clauses 6 and 7 respectively of the new arrangements, only the excess being remitted by the party from whom it is due. For instance, the Government of Madras might adjust out of the compensation of Rs.172-10-0 they have to pay to the Sandur Darbar for 1942-43 the sum of Rs.157-8-0 due by the Darbar for the same year and remit to them only sum of Rs.15-2-0.

3. I am to enquire whether the Government of Madras agree to this arrangement. If they do, the Sandur Darbar will be informed of it.

I have the honour to be
Sir,
Your most obedient servant

SECRETARY TO THE RESIDENT.

Encl.

Letter from the Assistant Secretary, Board of Revenue (Excise) Madras, CR No.12817 Abk./43-A5 dated the 10th January 1944.

Hemp drugs - ganja - supply to Sandur State - revision of arrangements - payment of part of the duty collected in the State to the Madras Government - Requested.

Read G.O. Ms.No.126 Revenued dated 4-2-43
Your letter No.BS.1-40/G&A dated 13-10-43.

I am to invite your attention to G.O.Ms.No.126 Revenue dated 4-2-43. According to condition 6 of the new arrangements entered into with the Sandur Durbar by the Madras Government the Durbar shall pay to the Government of Madras every year one fourth of the duty collected on ganja in the State. With reference to the particulars of the amount of duty collected on ganja in the Sandur State during 1942-43, furnished with your letter cited, one-fourth of the duty of Rs.630 collected during 1942-43 works out to Rs.157-8-0. I am to request you to be so good as to address the Sandur Durbar to pay the amount of Rs.157-8-0 (Rupees one hundred and fifty seven and annas eight only) into a British sub treasury under the head of account VIII (h) Provincial Excise - Hemp and other drugs - duty on ganja and intimate the fact to the Board.

Board of Revenue (Excise) Department.

Subject.-- Hemp drugs - Ganja - Supply to Sandur State - Revision of arrangements - adjustment of duty.

Read Government Revenue Department Endorsement No.305-D/44-1 dated 9-2-44

CR. No. 1281 [illegible] A5

tation - Trichinopoly, Madras. Dated 21-2-44

25 FEB 76-6-D

29 FEB 1944 FINANCE DEPARTMENT

ACTING SECRETARY TO GOVERNMENT 29 FEB 1944

From

S.M. Hamilton Esq
Assistant Secretary,
Board of Revenue (Excise Department)

9 MAR 152 D

J.B. Brown Esq., C.S.I., C.I.E., I.C.S.,
Commissioner of Excise, Member, Board of Revenue
(Separate Revenue) and Commissioner of Commercial Taxes.

Reference:

The Board has no objection to the proposal of the Secretary to the Honourable the Resident in Mysore in his letter forwarded with the Government Endorsement cited It is the sensible method of dealing with the matter.

Yours [illegible]
Secretary.

To the Secretary to Government. Revenue Department, Madras.

M.M.N. 24/2

10.3. Please see the correspondence at pp 1-5 above. A Draft letter is submitted for approval. Finance may see before issue. (After issue the papers may be filed with F.D. 128-2 [illegible])

Rev. W. No. 305-D/44-2 28.2.44

May be accepted 5.3.44.

Board of Revenue, Madras

Proceedings No. 46 Press, 2nd May 1940

Court-Fees—Levy—Attestation by Government servants of private documents intended for use in foreign countries—Reduction of fee on application—Sanctioned by Government—Amendments to the Madras Stamp Manual—Issued.

P. AUSTIN, Esq., I.C.S.,
Commissioner of Excise and Separate Revenue.

READ—the following papers :—

G.O. No. 1112, Home, dated 5th March 1940.

Memorandum No. 1321-D/404 Revenue, dated 20th April 1940.

Resolution—No. 46, Press, dated 2nd May 1940.

The following amendments will be issued to the Madras Stamp Manual, Fourth Edition :

341—*Standing Order No.* 117—(i) *Insert* the following as sub-paragraph (2)

2) Before attesting the signature on any document intended for use in foreign countries including Indian States, every Government servant, who is not a Notary Public, should obtain a written application bearing a court-fee stamp of the value of Re. 1 and attest the signature on the document only after such an application has been presented to him.

(ii) *Renumber* the existing sub-paragraph (2) as sub-paragraph (3)

(True extract)

R. A. GOPALASWAMI,
Joint Secretary.

Letter No. 305 D/44-3 dy 4.3.44

To

The Secretary to the Hon'ble the
Resident in Mysore Bangalore

New
C.F. put up
issue amendment
for
4/3/44
4.3.44

Excise - Hemp drugs - Ganja - Supply to Sandur
State Adjustment duty - reduction.
Ref your letter No 3S-1-40/Gen A dt. 20-1-44.

I am directed to state that the Government of Madras agree to the arrangement proposed in para 2 of your letter cited above for ... payment of duty on the ganja supplied to the Sandur State

11/3 Dd 26.2.44 with Mysore

28/2/44

Copy to the Board of Rev (Exc)
(w.r.t. its CRNO 12517/HHH/43-A5 dy 21.2.44)
the A.G. this Finance (with copy of cf.)

No.P3.7629/'43. Resident's Office
Trivandrum. 16th December 1943.

From

The Resident for the Madras States.

To

The Secretary to the Government of Madras,
Revenue Department, Fort St. George, Madras.

Ganja - supply to Cochin State.
Ref:- Your Memorandum No.2625-D/41-6 dated 11-8-43.

Sir,

At the instance of the Cochin Government, I have the honour to request you kindly to let me know the conditions on which the existing arrangements for the supply of ganja to the State from the Madras Province, which is to expire on 31st March ~~1943~~ 1944, can be continued.

As the rate of centage charges of the drug, which is now 3 annas per seer, is subject to periodical revision, the Cochin Government request also to be informed of the rate at which the supply can be arranged, with details of calculation of such charge.

2 DEC 1943

I have the honour to be,
Sir,
Your most obedient servant,

N. N. Iyengar.

For Resident.

PN

Rev Dept

Endt No 26462 D/43-1 dt 13-12-43

Referred to the Board of Rev for remarks

Addl Secy

14/12/43

BOARD OF REVENUE (EXCISE) DEPARTMENT.

Subject.

Hemp drugs-Ganja-Supply to certain Indian States-Arrangements-Renewal-

Endorsement from Government, Revenue Department, No.2642-D/43-1, dated 13-12-43.

C.R.No. 22224-Abkari/43-A5

Chepauk, M a d r a s, Dated 1-1-1944.

From

S.M. Hamilton Esq.,
Assistant Secretary, Board of Revenue (Excise)

J.B. Brown Esq., C.S.I., C.I.E., I.C.S.,
Member, Board of Revenue, Separate Revenue, Commissioner
Excise and Commissioner of Commercial Taxes.

REFERENCE:-

The Board invites the attention of the Government to their Memorandum No.2625 D/41-6, dated 11-2-1942 directing the continuance of the arrangements for the supply of ganja to Cochin, Travancore and Pudukottai States for a period of two years from 1-4-1942 subject to the payment of a fixed centage of Re.0-9-0 per seer of ganja on the issues made to these three States. The period of the existing arrangements will expire on 31-3-1944 and the question of the continuance of the arrangements after that date is dealt with below:-

2. The Board invites the attention of the Government to the working sheet submitted to them with the Board's reference C.R.No.14855-Abk. dated 5-11-1941 which shows how the existing rate of centage of Re.0-9-0 per seer has been calculated. According to the working sheet herewith enclosed, the centage now works out to Re.0-10-0 per seer. The Board suggests that a rate of centage of Re.0-10-0 per seer may be proposed to the Travancore and Cochin Governments and Pudukottai Durbar and that the arrangements of supply to the States of Travancore and Cochin may be renewed for a period of two years from 1-4-1944.

3. The Sandur State gets its supply ~~gets its supply~~ of ganja from the Government Storehouse in the Madras Province under the new arrangements sanctioned in G.O.Ms.No.126, Revenue, dated 4-2-1943 for a period of five years from 1-4-1942. According to condition 1 of the conditions of the agreement, ganja will be supplied to the Sandur State on payment of centage of Re.0-9-0 per seer to the Madras Government and the centage is also liable to revision at the end of 2 years. As this period will expire by 31-3-1944, the Board suggests that a centage of Re.0-10-0 per seer ~~as~~ recommended to the States of Travancore, Cochin and Pudukottai from 1-4-1944 may be adopted for Sandur State also for two years from 1-4-1944.

4. With reference to the Government Memorandum No.2625 D/41-14 dated 24-10-1942 ganja is supplied to the shops in the areas transferred to Orissa Province on payment of a centage at the rate of 9 annas per seer. The Board recommends that the same rate of centage as proposed for Travancore and Cochin States viz. Re.0-10-0 per seer may be fixed for Orissa Province also from 1-4-1944

S.M. Hamilton
3/1/44
ASSISTANT SECRETARY.

To the Secretary to Government, Revenue Department with a statement.
R.P.N.3/1.

3-1-1944

FINANCE DEPARTMENT (CENTRAL REVENUES).

NOTIFICATION.

CUSTOMS.

New Delhi, the 29th January 1938.

No. 24.—In exercise of the powers conferred by sub-section (*1*) of section 124 of the Government of India Act, 1935, and in supersession of the Notification of the Central Government in the Finance Department (Central Revenues), No. 27-Dangerous Drugs, dated the 18th December 1937, the Central Government is pleased to entrust to each Provincial Government, with the consent of such Government, the functions of the Central Government relating to the prescribing of regulations under the Notification of the Central Government in the Finance Department (Central Revenues), No. 23-Customs, dated the 29th January 1938 and to the administration of such regulations.

A. H. LLOYD,
Joint Secy. to the Govt. of India.

No. 24—C. No. 314-E.O./37.

Copy forwarded for information in continuation of this Department endorsement 27/C. No. 314-E.O./37, dated the 18th December 1937, to—

All Provincial Governments.
Chief Commissioners' Provinces.
The Hon'ble the Resident at Hyderabad.
The Hon'ble the Resident in Mysore.
The Hon'ble the Resident for Central India.
The Hon'ble the Resident, Rajputana.
The Hon'ble the Resident for the States of Western India.
The Hon'ble the Resident for the Punjab States.
The Resident for Baroda and Gujerat States.
The Resident for the Madras States.
The Resident for Kolhapur and the Deccan States.
The Resident for the Eastern States.
The Resident in Kashmir.
The Resident at Gwalior and the Political Agent for the States of Rampur and Benares.
All Collectors of Customs (including the Collector of Customs, Chittagong and the Collector of Salt Revenue, Bombay).
The Commerce Department.
The Political Department.
The Opium Agent.
The Director General of Posts and Telegraphs.
The Special Chemical Adviser to the Central Board of Revenue.
The Indian Trade Commissioner, London.
The Indian Government Trade Commissioner, Hamburg, Germany.
The Indian Government Trade Commissioner, Milan, Italy.
The Director, Federation of British Industries, London.
The Canadian Government Trade Commissioner, Calcutta.
The American Trade Commissioner, Calcutta.
The British Trade Commissioners in India, Calcutta and Bombay.
The Principal Collector of Customs, Colombo.
The Comptroller General, Department of Trade and Customs, Commonwealth of Australia, Canberra.
The Director General of Commercial Intelligence and Statistics for publication in the Indian Trade Journal.

By order, etc.,

MUKAND LAL,
for *Joint Secy. to the Govt. of India.*

AS Please see the letter on p1 c/f. of the BOs refer on pp 3-4 ante. Rev Dept
The BOs recommendations may be accepted & the ~~proposed~~ Residents endorsed and the Govt. of India may be addressed accordingly. Three draft letters are submitted for approval. Finance and Public (Poll) need not see.

Working sheet for centage charge with effect from 1-4-44

Charges for 1941-42.

(1) Cost of ~~cultivation~~ staff:-

Sanctioned strength

1 Assistant Inspector for 6 months

1 -do-

8 Sub Inspectors for 6 months, ~~including pay~~

62 Peons for 6 months including pay, special pay and dearness allowance at the existing rate ~~Rs~~ 12,690

(2) Cost of additional staff sanctioned

Assistant Inspectors	3 units
Sub Inspector	30
Peons	229

including pay, special pay and dearness allowance at the existing rate 5 608

(3) Cost of storehouse staff:-

1 Assistant Inspector, 1 Sub Inspector, 1 Petty Officer and 6 peons, including pay, and dearness allowance at the existing rate. 4,980

(4) P.C.R. charges (actual expenditure in 1941-42) 1,184

Total charges 24,462

(b) Charges for 1942-43

(1) Cost of cultivation staff:-

1 Assistant Inspector for 6 months

1 Sub Inspectors for 6 months

62 peons for 6 months including pay, special pay and dearness allowance actually paid 11,814

(2) Cost of storehouse staff:-

1 Assistant Inspector, 1 Sub Inspector, 1 Petty officer and 6 peons including pay and dearness allowance actually paid 4,618½

(3) P.C.R. charges (actual expenditure in 1942-43) 1,861

Total charges 18,293½

Grand total of charges for 1941-42 and 1942-43 = 24,462 + 18,293 = 42,755

II(a) Net outturn of ganja for	1941-42	55,059 seers
(b)	1942-43	20,664 "
Total outturn for 1941-42 and	1942-43	75,723 "

III. Cost per seer ~~xx~~ = I/II = 42,755 / 75,723 or 9 annas nearly

IV Add 1 anna per seer as general overhead charges

Total ~~xxx~~ centage charge per seer = 10 annas.

R.P.N.3/1. 3.1.44 3/1

Assistant ~~Secretary~~.

Government of Madras

FINANCE DEPARTMENT

G.O. No. 35, 16th January 1931

Advances—Amendments to Madras Financial and Account Code—Issued.

Order—No. 35, Finance, dated 16th January 1931.

The following amendments shall be made in the Madras Financial and Account Code, Volume I :-

Page 126.—*Insert* the following as Article 280-A :—

280-A. The rules in Articles 283 to 286, 294 and 294-A do not apply to Government servants who are not in permanent Government employ. As the pay of such Government servants does not constitute adequate security for a loan, advances should not ordinarily be granted to them. If, however, in any special case, the circumstances admit of the provision of adequate security, for example, in the case of establishments employed more or less on a quasi-permanent footing or for a long period, an advance may be sanctioned in accordance with the terms of these articles by the Administrative departments concerned to temporary Government servants under their control, with the concurrence of the Finance Department.

NOTE.—In the case of Government servants who are not in permanent Government employ, a personal security bond from a permanent Government servant of not less than equal standing should be obtained before granting an advance for the purchase of a conveyance (other than a motor car, a motor boat or a motor cycle) or a typewriter or tents.

2. *Page* 132, *Article* 286.—(*a*). In clause (3), *delete* the words 'unless the Local Government otherwise specially directs.'

(*b*) *Add* the following at the end of Note 2 :—

"A certificate to the effect that the conveyance is in his possession and in good order should also be furnished to the head of the office every month until the advance is repaid in full. The certificate should be furnished before the pay is disbursed; if an officer cashes his own pay bill, it should be attached to the pay bill and in other cases it should be attached to the acquittance roll."

3. *Page* 135, *Article* 294—*Note as introduced by G.S. No.* 19, *dated* 12*th March* 1928.—*Delete* the second sentence of the note.

(By order of the Governor in Council)

H. A. WATSON,
Secretary to Government.

To the Accountant-General.
,, all Heads of Departments.
,, all Departments of the Secretariat (all sections).
,, the Finance (Expenditure) Department.

Re Dept

Letter No. 2642D/43-2 dt 12.1.44

To The Resident for the Madras States, Trivandrum.

Sir

Excise — Hemp drugs — Ganja — Supply to Travancore, Cochin & Pudukkottai States.
Ref: your letter No. P3-7629/43 dt 7.12.43.

I am directed to state that this Govt. are willing to continue the arrangements for the supply of ganja to the States of Travancore Cochin and Pudukkottai for a further period of two years from 1.4.44 subject to the modification that centage charge will be recovered at the rate of Rs 0-10-0 (Rs nil and annas ten only) per seer as against the existing rate of nine annas.

2. A copy of the working sheet showing how the centage of ten annas has been arrived at is enclosed.

3. I am to enquire whether the above proposals are acceptable to the States.

Government of Madras

PUBLIC (SERVICES) DEPARTMENT

G.O. No. 1266, 31st July 1939

Public Services—Selections by heads of departments and subordinate authorities—Bringing influence on selecting authority a disqualification—To be announced in advertisements by selecting authorities.

Order—No. 1266; Public (Services), dated 31st July 1939.

In every advertisement inviting applications for appointment to services and posts for which the Commission selects candidates it inserts the following provision, viz. :—

> "An applicant will be disqualified who attempts to canvass or to bring influence to bear on the Chairman or any Member of the Commission personally or by letter. The same penalty will be imposed if any relative, friend, patron, official or other person attempts to influence the Chairman or any Member of the Commission on behalf of an applicant."

Heads of departments are requested to see that a similar provision is inserted in the advertisements issued by them or by their subordinate officers calling for applications for posts for which selection is made by departmental authorities.

(By order of His Excellency the Governor)

G. T. Boag,
Chief Secretary.

To all Departments of the Secretariat.
" Heads of Departments (including Collectors and District Judges).

Endl. corr. A. No. 19/1. 24/13/1.

~~69~~ 68/ Rev Dept

Letter No. 26428/43-R dt 12.1.44

Encl. copy of Notif.

To The Secy to the Govt of Orissa,
Education Department,
Cuttack.

Dated as above.

Sir,

Excise - Hemp drugs — Ganja - supply to areas transferred to Orissa Province — Centage charge.

I am directed to invite attention to ~~the~~ your letter No. 11150 E(c) dt 15.10.42 on the subject mentioned above and to state ~~that it has since been found~~ that the centage charge to be levied from 1.4.44 on the issues of ganja made to the shops in the areas transferred from this Province to the Orissa Province works out to ten annas per seer. I am to request that payment at this rate may be made by the Government of Orissa with effect from 1.4.44 as against the existing rate of nine annas. A working sheet showing how the centage charge has been arrived at is enclosed.

Yours faithfully,

10/1/44 Dy 18.1.44

11.1.44 12/1/44

97/12/1 69 ~~70~~ ~~53~~ Re Dep.

Draft III

Letter No. 2642 D/42-4/B dy 12.1.44

To The Secretary to the Hon'ble the Resident in Mysore, Bangalore

Sir,

Excise – Hemp Drugs – Ganja – Supply to the Sandur State – Ref: correspondence ending with your letter No. BS-1-40/G+A dy 27.11.43

I am directed to invite attention to this Govt's letter No. 127 Revenue dated 4.2.43 enclosing a copy of the Proceedings of this Govt., No. 126 dy 4.2.43 sanctioning a fresh arrangement for supply of ganja to the Sandur State for a period of five years from 1.4.42. According to condition (1) of the conditions specified in those Proceedings, the cantage charge on ganja issued to the State is liable to revision at the end of two years. I am to state ~~that it has since been found~~ that the cantage charge ~~works~~ to be levied from 1.4.44 works out to ten annas per seer instead of nine annas as at present and to request that ~~the~~ payment may be made by the Sandur State at this rate from 1.4.1944. A working sheet showing ~~the~~ how the cantage charge of ten annas has been arrived at is enclosed.

Draft 10/1/44. 14.1.44

14/1/44 Govt 14/1/44

Government of Orissa.
Education Department.

No. 371 E. 13 FEB

From

Rai Bahadur S. Das., M. A.,
Secretary to Government.

To

The Secretary to the Government of Madras,
Revenue Department.

Cuttack, the 10th February 1944.

Sub:- Excise-Hemp drugs-Ganjam Supply to the areas transferred to Orissa Province-Centage charge.

Sir,

With reference to your letter No.2642D/43-3 dated the 12th January 1944, I am directed to say that the Government of Orissa accept the proposal for payment of the centage charge at the rate of 10 annas, as against the existing rate of 9 annas, per seer of ganja, to the Government of Madras, with effect from the 1st April 1944, for supply of hemp drugs to the shops in the areas transferred from Madras.

I have the honour to be,
Sir,
Your most obedient servant,

SECRETARY TO GOVERNMENT.

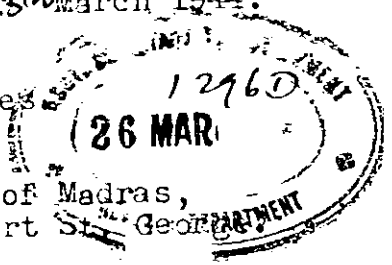
HKS:10/2

Endt.No. 2642D/43-5 dt 14 2 44

Communicated to the Board. with reference to its Memo. C.R.No. 22224-Abk/43-A5 dt 1.1.44.

No.P3. 7629/43.

Resident's Office,
Trivandrum, 23rd March 1944.



From

The Resident for the Madras States.

To

The Secretary to the Government of Madras,
Revenue Department, Fort St. George.

Excise - Hemp drugs - ganja to Travancore, Cochin and Pudukkottai States.

Ref:- Your letter No.2642 D/43-2 dated 12-1-44.

Sir,

I have the honour to inform you that all the three States accept the proposals contained in your letter under reference.

2. The Travancore Government however add the understanding that the ganja will be supplied by the Government of Madras without interruption according to the requirements of the State and refer in this connection to the correspondence ending with the letter from the Board of Revenue, No.C.R.20202 Abk/B dated 20th December 1943, where they issued only 2000 seers of ganja against a quantity of 4000 seers indented for by the Travancore Government. Though the balance of 2000 seers also was subsequently supplied by the Madras Government, the Travancore Government had to incur extra expenditure for getting down this quantity in a separate consignment. The Travancore Government request that such difficulties may be avoided in future and express the hope that the enhanced centage charges now agreed to will be reduced suitably if there will be a fall in the cost of production within the period of two years now agreed to.

I have the honour to be, Sir,
Your most obedient servant,

M. N. Rangaraz

For Resident.

Endt. No 2642-643-E&S/31-3-44

Communicated to the Board of Rev. with reference to the Correspondence resting with our Ref No CR. 22224 dtd 1-12-44.

2 The Board of Rev. is requested to offer its remarks on the corresponding sentence ~~with regard to the Complaint of the Travancore Graduates~~ in para 2 of the Resident's letter.

3-3-44 S
3/3/44

3/3/44

To the Board of Rev
with a copy of the Plaint

BOARD OF REVENUE(EXCISE) DEPARTMENT

C.R. [illegible] Ganjari/43 A.5 26th April 1944

Subject:- Hemp drugs - Ganja - Supply to Indian States - Renewal of arrangements.

Government ~~Reference~~ Revenue Department endorsement No.2642 D/43-6 Revenue dated 31-3-44.

From

S. M. Hamilton, Esq.,
Assistant Secretary Board of Revenue (Excise)

J. B. Brown Esq., C.S.I., C.I.E., I.C.S.
Member, Board of Revenue, Separate Revenue, Commissioner of Excise and Commercial Taxes

Reference:-

1. There was a stock of about 614 maunds of Ganja in the Vetapalem Storehouse on 1st April 1943 and the quantity manufactured and stored at that period was about 516 maunds. There was therefore a stock of about 1130 maunds at the beginning of April 1943 for issue to shops in this Province, Indian States etc., during 1943--44. As the issues during 1943-44 were expected to be about 950 maunds (the probable average for the last five years) it was thought that the stock on 1-4-43 would be sufficient to meet the demand for 1943--44. But, from 1st April 1944 Prohibition was suspended in the districts of Salem, Cuddapah and North Arcot districts and all the ganja shops in those districts were opened from that date with an unrestricted supply. The demands from the Travancore and Cochin States were abnormal during 1943--44. The issues to the two States for the last six years are noted in the margin.

Year.	Travancore Seers.	Cochin Seers.
1938--39	2500	1290.
1939--40	2700	1600
1940--41	1500	2700
1941--42	1000	1800
1942--43	6400	1500
1943--44	7000	2100

In the case of Travancore, the issues in 1943--44 were very abnormal. In the case of Cochin also the issues in 1943-44 were higher than on any other year except -- 1940--41 as a result of ~~demands~~ these unexpected demands the stock of ganja was depleted. The additional quantity required for the Prohibition districts and increase in demand from the Indian States were not anticipated when the extent of lands for ~~cultivation~~ the cultivation of ganja in the current season was determined in the year 1943.

2. Though the supply of ganja has not been limited in the case of Travancore and Cochin States their full demand could have been met without any interruption had the State Governments intimated their higher requirements in time to permit the extension of the area selected for cultivation of ganja. To avoid any future contingency of this kind, the Travancore and Cochin States may be requested to intimate in future as they are doing now in the case of opium their estimated requirements of ganja in any particular official year, in the beginning of the preceding official year itself so that necessary steps may be taken to lay in an adequate stock of ganja.

3. The ganja supply difficulties were aggravated by the fact that 1944 season was not a good one and the yield was below the average. The quantity stored was 1238 maunds, but of this, about 188 maunds were issued up to ~~1943~~. The probable requirements for 1944-45 including demands for Indian States at the recent high figure and the demand for prohibition districts amount to 1356 maunds. The stock on hand is likely to be exhausted at the end of December 1944 if the Indian States insist on receiving full supply before the The Board therefore suggests that the issues to the States from the present stock may be curtailed to the amount required up to the of January 1945 and that supply for February and March 1945 may made from the new stock that will be manufactured from January to March 1945.

4. In 1943--44 issues were made as shown below:

Travancore:-3000 seers in June, 2000 seers in October 43 and 2000 seers in March 1944

Cochin: 300 seers in May, 600 seers in June, 600 seers in October 1943, 600 seers in January 1944.

Cochin has taken this year 600 seers in April 1944.

It is suggested that the balance of supply for 1944-45 be made in two instalments more; in July or August 1944 and in January 1945. The first instalment should cover the demand only up to the end of January 1945.

5. In the circumstances there will be some difficulty in meeting the demands of the Indian States in full, until the ganja of next year's harvest has been stored. It would ease the situation if the Indian States could be induced to reduce their demands to a minimum. In this connection, it is pointed out that monthly supply of ganja to most shops in the Province has been restricted and the shops have been sold subject to this restriction. In the case of the few exempted shops Deputy Commissioners have been instructed to send up proposals for restriction. It would be helpful if the Indian States also would co-operate in the imposition of restrictions on supply. The figures show that their demands are abnormal.

6. As regards the reduction of centage charges suitably to the fall in the cost of production within the period of two years, the Board submits that the centage charge now fixed and charged on the issues of ganja, is worked out on the cost of the production and the outturn of ganja produced during the preceding two years. The question of revision of this centage if there be a fall in the cost of production during the two years period now agreed to does not therefore arise.

ASSISTANT SECRETARY 27.4.44

To

The Secretary to Government Revenue Department.

VGS 26-4 RD 2614. 27.4.44

Rev. Dept.

LETTER No. 2642-D-43-7 dated 8-5-44

To

The Resident for the Madras States,
Trivandrum.

Sir,

EXCISE - Hemp drugs - ganja - supply to Travancore, Cochin, and Pudukkottai States - Your letter No.P3 7629/43 dated 23-3-44.

With reference to para 2 of your letter quoted above, I am directed to inform you that the demands from the Travancore and Cochin States were abnormal during 1943-4 as a result of which the stock of ganja was depleted. The additional quantity required for ~~the~~ Prohibition ~~districts~~ in this Province and the increase in demand from the Indian States were not anticipated when the extent of lands for the cultivation of ganja in the current season was determined in the year 1943. Though the supply of ganja has not been limited in the case of Travancore and Cochin States their full demand could have been met without any interruption had the ~~State~~ Governments intimated their higher requirements in time to permit the extension of the area selected for cultivation of ganja. To avoid any future contingency of this kind I am to request that the Travancore and Cochin States may intimate in future as they are doing now in the case of opium their estimated requirements of ganja in any particular official year, in the beginning of the preceding year itself so that necessary steps may be taken to lay in an adequate stock of ganja.

2. As the stock on hand is likely to be exhausted at the end of December, 1944 if the Indian States insist on receiving full supply before then ~~I am directed to inform you that~~ the issues to the States from the present stock will be curtailed to the amount required up to the end of January, 1945 and ~~that~~ no supply for February and March, 1945 will be made from the new stock that will be manufactured from January, 1945 March, 1945.

The balance of supply for 1944-45 will be made in two instalments in July or August, 1944 and in January, 1945. The first instalment will cover the demand only up to the end of January, 1945.

3. For the reasons stated above there will be some difficulty in meeting the demands of the Indian States in full, until the ganja of next year's harvest has been stored. The monthly supply of ganja to most shops in this Province has been restricted and the shops have been sold subject to this restriction. It is hoped that the Indian States will also co-operate with this Govt. in this respect by imposing restrictions on supply to the shops under their control.

4. As regards the reduction of centage charges suitably to the fall in the cost of production within the period of two years, I am directed to say that the centage charge now fixed and charged on the issues of the ganja, is worked out on the cost of the production and the outturn of ganja produced during the preceding two years. The question of revision of this centage if there be a fall in the cost of production during the two years period now agreed to does not therefore arise.

Y.O.S.

No.P.3.7629/43.

Resident's Office,
Trivandrum, 30 July 1944.

From

The Resident for the Madras States.

To

The Secretary to the Government of Madras,
Revenue Department,
Fort St. George, Madras.

Ganja - requirements of the Madras States during 1944-45 and 1945-46 - estimates.

Ref:- Your letter No.2642 D/43-7 dated 8th May 1944.

Sir,

The estimated ganja requirements of the Cochin State for the remaining 9 months of the current official year will be as follows:-

1944-45.

(1) Up to the end of January 1945 - about 1000 seers.
(2) In February and March 1945- 375 "

Total 1,375 "

2. For the year 1945-46, they would require 2400 seers of best Santavur ganja.

3. With reference to para 3 of your letter under reply, while promising their co-operation in tiding over the situation created by scarcity of stock, the Cochin Government point out that as their Ganja Licensees are persistently applying for enhancement of the rationss sanctioned to individual shops it may not be possible to effect further reductions in the existing rates of supply; but propose to turn down

all requests for enhancement of rations during the next Malabar year (1944-45).

4. The estimated requirements of Travanco will be communicated to you in due course.

I have the honour to be,
Sir,
Your most obedient servant,

For Resident.

PN

Rev. Dept.

Endt. No. 2507 D.44-1 d. 4.7.44.

Forwarded to the Bd. of Rev. with ref to it, Ref CR No 22224/Rev/43 dated 26-4-44

To the Bd. of Rev. (Excise).

N.B.: After issue this may be Scrutinised with G.O. No. MS.126-27 Rev. d. 4.2.43. — (A)

BOARD OF REVENUE (EXCISE) MADRAS

C.R.No.2224 Abkari/43 Dated 18th August 44

Subject:- Hemp drugs - Ganja - Supply to Indian States - Renewal of arrangements.

Board's reference C.R.No. 22224 Abkari/43 dated 26-4-44.
the Government Rev. Dept., Endt. No.2507D/44-1/16-7-44

From

S. M. Hamilton, Esq.,

Assistant Secretary Board of Revenue (Excise)

To

E.C.Wood Esq., C.I.E., I.C.S.,
Member, Board of Revenue Separate Revenue, Commissioner of Excise and Commercial Taxes.

Reference:-

The Board invites the attention of the Government to para 6 of its reference cited and requests to be informed whether the Indian States have agreed to pay the revised -- centage of annas ten per seer on the quantity of ganja -- issued to them from 1-4-44.

ASSISTANT SECRETARY

To The Secretary to Government, Revenue Department.

19-8.

Rev. Dept.

O.M. No. 3039-D-44-1 dated 25th August, 1944.

HEMP DRUGS - Ganja - Supply to Indian States - Renewal of arrangements.
Ref: From the Board of Revenue C.R. No.2224- Abkari-43 d. 18-8-1944.

The attention of the Board of Revenue is invited to para 1 of letter No. P.3. 7629/43 d. 23-3-44 from the Resident for the Madras States, Trivandrum communicated to the Bd. in Endt. No. 2642-D-43-6 d.31-3-44 wherein the Resident stated that the States of Travancore, Cochin, and Pudukkottai had accepted the proposals to continue the arrangements for the supply of ganja to the three States for a further period of two years from 1-4-44. These proposals included the levy of revised centage of annas ten per seer. The Govt. of Travancore suggested that the enhanced centage charges might be reduced suitably in the event a fall in the cost of production within the period of two years. The Resident was informed that the centage charge now fixed and charged on the issues of the ganja, was worked out on the cost of the production and the outturn of ganja produced during the preceding two years and that the question of revision of this centage in the event of a fall in the cost of production during the two years period now agreed to did not therefore arise. No further reference has been received from the Resident on the subject and it must be presumed that the Travancore Govt do not propose to pursue the

2. As regards Sandur State the Hon'ble the Resident in Mysore was informed that the centage charge should be paid by

Government of Madras

PUBLIC (SERVICES) DEPARTMENT

G.O. No. 893, 1st May 1940

Public Services—Subordinate Services—Madras Police Subordinate Service—Pay of probationers—Rules—Amended.

G.O. No. 1013, Public (Services), dated 6th June 1936.

G.O. No. 889, Public (Services), dated 30th April 1940 (amendment last issued).

Order—No. 893, Public (Services), dated 1st May 1940.

The following notification will be published in the *Fort St. George Gazette* :—

NOTIFICATION.

In exercise of the powers conferred by section 8 of the Madras District Police Act, 1859 (XXIV of 1859), and section 9 of the Madras City Police Act, 1888 (Madras Act III of 1888), His Excellency the Governor of Madras is hereby pleased to make the following amendments to the rules for the Madras Police Subordinate Service published with Public (Services) Department Notification No. 514, dated the 6th June 1936, at pages 859 to 867 of Part I of the *Fort St. George Gazette*, dated the 16th June 1936, as subsequently amended :—

AMENDMENTS.

In rule 8 of the said rules, for the words "Notwithstanding anything contained in the Fundamental Rules there shall be paid," the words "There shall be paid" shall be substituted.

In rule 8-A of the said rules, for the expression "Notwithstanding anything contained in Fundamental Rule 30, there shall be paid to," the words "There shall be paid to" shall be substituted.

(By order of His Excellency the Governo

D. N. STRATHIE,
Chief Secretary.

To the Madras Public Service Commission (with C.L.).
" Legal Department.
" Home Department.
" Accountant-General, Madras.
" Superintendent, Government Press, for publication in the *Fort St. George Gazette* and issue of correction slip to Volume II of the Madras Services Manual.

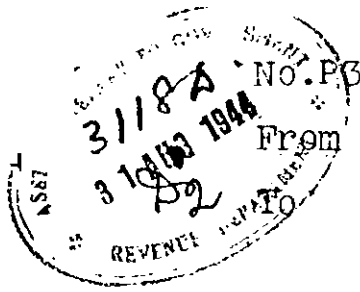
the State at Rs.0-10-0 per seer with effect from 1-4-44. In the absence of intimation to the contrary it is presumed that the State has accepted the revised rate.

of Rev.

N O T E : Please see the reference from the Bd. of Rev. in the c.f. The three Indian States - Travancore, Cochin and Pudukkottai have agreed to the payment of the enhanced centage charges among other proposals made by this Govt. Only the Travancore Govt. suggested that the enhanced centage charge may be reduced if there be a fall in the cost of production within the two years period now agreed to by them. On the recommendation of the Bd. in para 6 of its refce. d. 26-4-44 the Resident for the Madras States, Trivandrum was informed that the centage charge now fixed has been worked out on the cost of the production and the outturn of ganja produced during the preceding two years and the question of revision of this centage if there a fall in the cost of production does not therefore arise. No further reference has been received from the Resident on the subject.

2. As regards Sandur State the revised rate was intimated to the Hon'ble the Resident in Mysore. In the absence of intimation to the contrary it is presumed that the State has accepted the revised rate.

3. After issue of the draft memo, the papers may be stitched with G.O. no. MS.126-27 Rev. d. 4.2.43.



No.P3-7629/43. Resident's Office,
Trivandrum, 28th August, 1944

From

The Resident for the Madras States.

To

The Secretary to the Government of Madras,
(Revenue Department), Fort St: George,
M a d r a s.

Ganja - requirements of the Madras States - 1944-45 and 1945-46 - Estimate.

Ref:-Your letter No.2642 D/43-7 dated 8-5-1944.

Sir,

In continuation of my letter No.P3-7629/43 dated 3--7--1944, I have the honour to state that the Travancore Government's requirements of ganja during the remaining months of the current official year are as follows:-

(1) Up to the end of January 1945 (@ 500 seers a month)	4500 seers (including 1000 seers as Reserve stock)
(2) For the months of February and March 1945	1000 seers.
	5500

of the 4500 seers required up to January 1945, they require 2000 seers immediately and an indent for this quantity will be preferred to the Commissioner of Excise, Madras, shortly. The remaining 2500 seers may be supplied in October 1944.

2. Travancore's requirement in 1945 - 46 will be 6000 seers.

3. On account of the very great rise in the demand for ganja in the State, the Travancore Government say they are unable to make any reduction in these quantities.

4. The Pudukkottai Darbar are likely to require only 160 seers of the drug in 1945 - 46.

I have the honour to be,
Sir,
Your most obedient servant,

M. N. Venugopal
For RESIDENT.

Rev. Dept.

Endt. no. 3118-D-44-1 dt. 31.8.1944.

Forwarded to the Bd. of Rev. in continuation of Endt. no. 1501 D.44-1 Rev. dt. 10.7.1944.

—PLT.

Note:- After issue this may be stitched with F.O. no. MS. 126-27 Rev. dt. 4.2.43. 4A.

To the Bd. of Rev. (Excise) with a copy of the letter dt. 17-2-1944

BOARD OF REVENUE (EXCISE) DEPARTMENT

C.R.No.97 Abkari /46 XD. Dated 2nd January 1946.

Subject:- Hemp drugs - Ganja - Supply to certain Indian States and other Governments - arrangements - renewal - Report to Govern-

dr
2/1/46

Sri G. P. Tharyan, B.A.,
Assistant Secretary, Board of Revenue (Excise)

OD

A. R. MacEwen, Esq., C.S.I., C.I.E., M.C., I.C.S.,
Member, Board of Revenue, Separate Revenue, Commissioner of Excise and Commercial Taxes.

References:-

The Board invites the attention of the Government to their endorsement No.2642 D/43-6 Revenue dated 31-3-44, forwarding the acceptance by the Indian States of Travancore, Cochin and Pudukottai, the arrangements for the supply of ganja to them for a period of two years from 1st April 1944, subject to the payment of a fixed centage of 10 annas per seer of ganja on the issues made to these three States. The period of the existing arrangements will expire on 31st March 1946 and the question of the continuation of the arrangement after that date, is dealt with below:

2. In this connection, kind attention is invited to the working sheet submitted to the Government with Board's reference C.R. 22224/43 dated 1st April 1944. According to the working sheet herewith enclosed, the centage works out to the same rate of ten annas per seer. The Board recommends that the arrangement of supply of ganja, to the Travancore and Cochin States, at the same rate of centage of ten annas per seer, may be renewed for a period of two years from 1st April 1946. The centage of ten annas per seer may be proposed to the Pudukottai Durbar also for a period of two years from 1st April 1946.

3. In G.O.No.126 Revenue dated 4-2-43, the Government have sanctioned for a period of 5 years from 1st April 1942, the supply of ganja from this Province to the Sandur State, on payment of a centage, which will be liable to revision at the end of two years. In accordance with para 2 of Government memo No.3039 D/44 dated 25th August 1944, a centage of Rs.0-10-0 is being collected from the State, for a period of two years with effect from 1st April 1944. As this period will expire by 31st March 1946, the Board suggests that the same centage of ten annas per seer, recommended to the other States from 1st April 1946, may be adopted for Sandur also for two years from 1st April 1946.

Para 4 of (k)

4. With reference to the Government endorsement No. 2642 D/43-5 dated 14-2-44, ganja is supplied to the shops in the areas transferred to the Orissa Province, on payment of a centage charge of ten annas per seer. In G.O.No.1109 Revenue dated 14-5-42, sanction has been accorded for the supply of ganja to the Administration of Baluchistan, subject to the payment of a centage. The Board suggests that the same rate of centage, as that proposed for the Indian States, viz., ten annas per seer may be fixed for the issues of ganja to the Orissa Province and to the Administration of Baluchistan also from 1st April 1946.

ASSISTANT SECRETARY

To The Secretary to Government Revenue Department
with a statement.

Working sheet for cantage charges with effect from

I (A) Charges for 1943-44

1. Cost of Cultivation staff:

Sanctioned strength

1 Assistant Inspector for 6 months, 1 Assistant Inspector for 3 months, 8 Sub-Inspectors for 6 months, 62 peons for 6 months including pay, special pay, dearness allowance & House allowance at the then rate — 13,230/

2. Cost of additional staff sanctioned:

Assistant Inspector, 2½ units, Sub-Inspector 18½ units. peons 111 units including pay, special pay, dearness allowance and House allowance at the then rate. — 4,240½

3. Cost of Storehouse staff:

1 Assistant Inspector, 1 Sub-Inspector, 1 Petty officer and 6 peons including pay, special pay dearness allowance at the then rate — 5,120½

2,220

24,810½ /

(B). Charges for 1944-45.

Cost of cultivation staff:

Sanctioned Strength

1 Assistant Inspector for 6 months, 1 Assistant Inspector for 3 months, 8 Sub-Inspectors for 6 months, 62 peons for 6 months - including pay, special pay, dearness allowance, House allowance — 16,031

2. Cost of additional staff sanctioned.

Assistant Inspector 9½ units, Sub-Inspectors 68 units peons 323½ units clerk 6 units including pay, special pay, dearness allowance, House allowance ~~at~~.

Cost of Storehouse staff:
1 Assistant Inspector, 1 Sub-Inspector, 1 petty officer and 6 peons including pay - special pay, dearness allowance ~~at this~~ 5,646/

4. P. C. and R. charges 10,186/

Total charges 49.731/

Grand total of charges for 1943-44 & 1944-45 Rs.24811 +49731 74.542/-

I(a) Net outturn of ganja for 1943-44 49525 seers
(b) Do. 1944-45 93873---

Total outturn for 1943-44 and 1944-45= 1,43,398 Seers

III. Cost per seer $\frac{\text{I.}\quad 74542 \times 16}{\text{II}\quad 143398} = \frac{1192672}{1,43,398}$ = 0-8-4 or 9 anna nearly

IV Add One anna per seer as general overhead charges

Total centage per seer = 10 Annas.

Revenue Department.

Encls 1/19.1.46.
Copy of pp 3-4 ante.

Letter No.30 D/46 -2 dated 18.1.46

To the Resident for the Madras States, Trivandrum.

Sir,

Excise - Hemp drugs - Ganja - Supply to Travancore, Cochin and Pudukkottai States.

Please see from Revenue
18/1/46.
p 71 of 8 012.6-127 Rev
(k) 1 2 3

I am directed to invite attention to your letter No.P3 - 7629-43 dated 23-3-1944 on the subject mentioned above and to state that this Government is willing to continue the arrangements for the supply of ganja to the states of Travancore, Cochin and Pudukkottai for a further period of two years from 1-4-46 on payment of ~~subject to the modification that~~ centage charge ~~will be recovered~~ at the existing rate of ~~10 as~~ 0.10.0 (Rs.nil and annas ten only) per seer.

para 2, p 1 ante

2. A copy of the working sheet showing how the centage of ten annas has been arrived at is enclosed.

pp 3 & 4 ante

3. I am to enquire whether the above proposals are acceptable to the States.

8.1.46
8.1.46.

Y.O.S
18/1
8/1/46

Ukr
9.1.46

Draft II

Letter No.30 D/46 -3 dated 18-1-46

Encls 2/19.1.46.
Copy of pp 3-4 ante.

To

The Secretary to the Government of Madras Orissa,
Education Department,
Cuttack.

Issue from Rev
18.1.46.

Sir,

Excise - Hemp drugs - Ganja - Supply to areas transferred to Orissa Province - Centage Charge.

I am directed to invite attention to your letter No.371 E dated 10-2-44 on the subject mentioned above and to state that the centage charge to be levied from 1-4-46 on the issues of ganja made to the shops in the areas transferred from this Province to the Orissa Province works out to ~~10~~ ten annas per seer which is the existing rate. I am to request that payment may be continued at this rate. A working sheet showing how the centage charge has been

arrived at is enclosed.

Draft III

Letter No.30D/46 -4 dated 18-1-46

To

The (~~Secretary to the~~) Hon'ble the Resident in Mysore, Bangalore.

Sir,

Excise - Hemp drugs - Ganja - Supply to the Sandur State.

I am directed to invite attention to this Government's letter No.2642 D/43-4 dated 12-1-44 and to state that the centage charge to be levied from 1-4-46 works out to ~~12~~ ten annas per seer which is the existing rate. I am to request that payment may be continued by the Sandur State ~~and~~ at the existing rate for a further period of one year from 1-4-46. A working sheet showing how the centage charge of ~~12~~ ten annas has been arrived at is enclosed.

Draft IV

Memo No.30D/46-5 dated 18/1/46

Excise - Hemp drugs - Ganja - Supply to certain Indian States and other Governments - Arrangements - Renewal - From the Board of Revenue, Reference C.R.No. 97 A~~b~~k - 46 X~~D~~ dated 2-1-46.

The Residents concerned and the Government of Orissa have been addressed for the continuance of the payment of centage charge at the existing rate of 10 annas per seer.

2. As regards the Administration of Baluchistan, the Government direct that the ganja should be supplied to the

Administration free of duty but subject to the existing centage charge of ~~10~~ ten annas per seer.

3. The existing arrangements for the supply of ganja to the Sandur State, sanctioned in G.O.126 Revenue dated 4-2-43 will expire on 31-3-47. The Government have therefore informed the Hon'ble the Resident in Mysore that the Sandur State may continue to pay the centage charge at the existing rate of ~~10~~ ten annas per seer for a period of 1 year from 1-4-46 instead of 2 years as proposed by the Board.

Para 3, p 24

4. The Board is requested to submit in due course proposals for the continuance of the arrangement with the Sandur State from 1-4-47.

9/8.1.46

8/8.1.46.

8/1/46

9/1/46

The Board of Revenue,
Excise.

21.1.46

38/22 | 3. 2/3.

91

Rev Dept

Letter No. 30D/46-62 dated 22/3/46.

To

The Resident for the Madras States,
Trivandrum

Sir,

Excise — Hemp drugs — Ganja —
Supply to Travancore, Cochin and
Pudukkottai States.

P 5 4. This Govt's letter No. 30D/46-2 dt. 18-1-46

I am to enquire when a reply
to this Govt's letter quoted above may be
expected.

22-3-46. for

NAr. It does not appear necessary to

(P.T.O)

9/2

remind the Govt of Orissa and the Hon'ble the Resident in Mysore, as no specific reply has been called for from them. It may be left to them to send a reply if necessary. It may be presumed that the proposals contained in the letters on pp 5-6 c/f addressed to the Govt of Orissa and the Hon'ble the Resident in Mysore, are acceptable to them.

22.3.46. Draft in 3/46

Dy 7.0.

No.L.Dis.328/46.

Madras States Agency,
Trivandrum, 6th April 1946.

From

The Resident for the Madras States.

To

The Secretary to the Government of Madras,
Revenue Department,
Fort St. George, Madras.

Sir,

With reference to your letter No.30 D/46-2 dated 18th January 1946, I have the honour to say that the Travancore, Cochin and Pudukkottai States agree to the proposals made therein.

2/ The Travancore Government, however, point out that the Ganja should be of good quality and that supply should be made without interruption, according to their requirements. They trust that the centage charges now agreed to (viz. 10 annas per seer) will be reduced suitably if there be a fall in the cost of production witnin the period of two years from 1st April 1946.

I have the honour to be,
Sir,
Your most obedient servant,

For Resident.

PN

Revenue Department.

Letter No. 30 D/46-7, dated 22/4/46

To

The Resident for the Madras States,
Trivandrum.

Sir,

Excise - Hemp drugs - Ganja - Supply to Travancore, Cochin and Pudukkottai States.
Refce. Your letter No. L. Dis. 328/46, dated 8-4-1946.

With reference to para 2 of your letter quoted above I am directed to invite attention to paras 1 and 4 of my letter No. 2642 D/43-7, dated 6-5-1944.

Y. O. S.

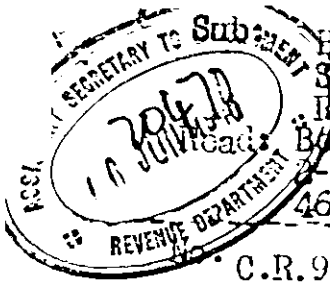
Endorsement No. 30 D/46-8 dated 22/4/46

Copy communicated to the Board of Revenue with p.t.o.

x ~~reference to~~ the Resident's letter.

To the Board

BOARD OF REVENUE (EXCISE) DEPARTMENT



Hemp drugs - Ganja - supply to certain Indian States and other Governments - arrangements Renewal.

Read: Board's Reference C.R.No.97 Abkari/46 XD.4 dated 8-1-46. 2. Govt., Revenue Department Memo No.30-D/46-5 dated 18-1-46 & 22-4-46.

C.R.97 Abkari/46 XD.4 Dated 13th June 46.

From

Sri G.P.Tharyan, B.A.,
Assistant Secretary Board of Revenue (Excise)

A.D. Crombie Esq., C.I.E., I.C.S.,
Member, Board of Revenue, SeparateRevenue Commissioner of Excise and Commercial Taxes.

Reference:-

The Board invites the attention of the Government to the correspondence cited and requests to be informed whether the Sandur State and the Government of Orissa have accepted the proposals made by the Government.

Assistant Secretary

To The Secretary to Government Revenue Department.

vgs 15-6

Rev Dept

Memo No. 2047 D/46 | dated 22/6/46

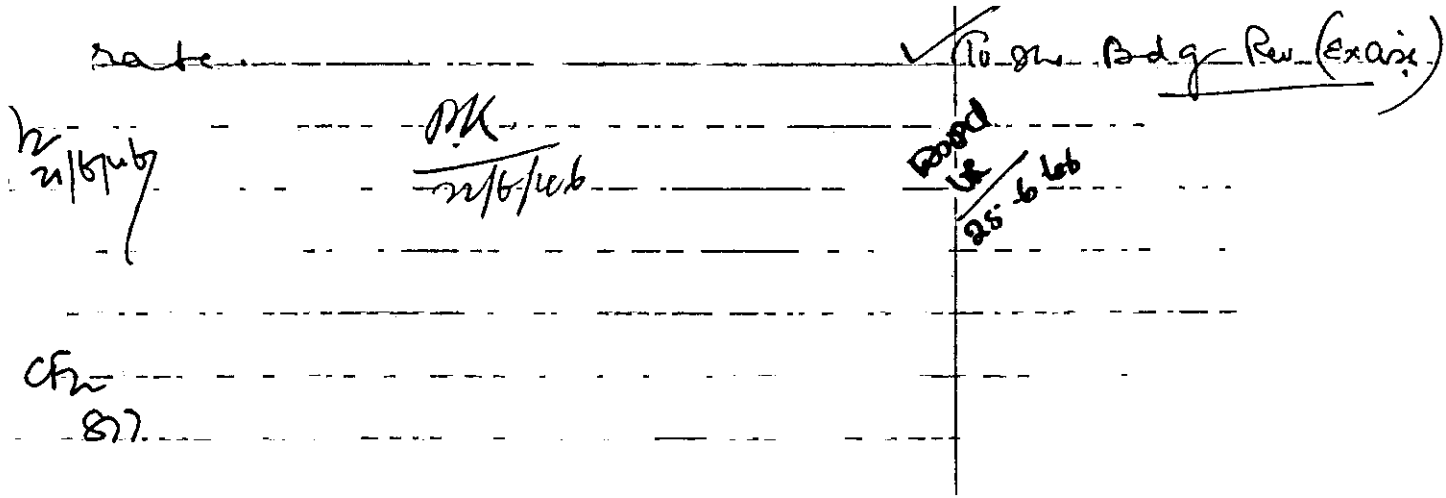
Excise Hemp drugs Ganja Suppl to Indian States and other Govts — Renewal of arrangements —

From the Bdg Rev Rycee No. CR 97 Alk-46-X dt. 13.6.46.

The Govt of Orissa and the Sandur State have been informed that the Centage charge to be levied from 1.4.46 on the supply of ganja works out to ten annas per seer and that payment should be made at that rate from 1.4.46. In the absence of intimation to the contrary it is presumed that the Govt of Orissa and the Sandur State have accepted the

Mysore
b
24/6/46. Cf

Vide Mysore Ppg 91-92 ante (9)


Date
To the Bdg Rep (exam)
Board
25.6.16

Rev Dept

Excise - Drugs - Ganja - Supply to certain Travancore States - Arrangements - Renewal - Proposals.

(Ms 2625 D/41

From the Board of Revenue CR. No 14855 Rev/41 dt 5.11.41

To the Resident for the Madras States

No P3. 3627/41 dt 7.11.41.

To A.S

Please see the Board's proposals at pp 1-3 ef and the letter from the Resident for Madras States at p 7 ef. The Board's proposals are dealt with below.

2. Travancore, Cochin and Sandur States.

The arrangements for the supply of ganja to these States expire on 31.3.42. The Board recommend that the arrangements may be renewed for a period of 2 years from 1.4.42 and that centage charge at the rate of Rs 0-9-0 per seer as against the existing rate of Rs 0-7-0 may be collected from these States. The Board's recommendations may be accepted. A copy of the working sheet at p 5 ef showing how the centage charge of Rs 0-9-0 has been arrived at may also be sent to the Resident for the Madras States as was done previously.

3. Pudukkottai State.

A centage charge of Rs 0-7-0 per seer is being recovered from this State for the ganja supplied

3. According to the orders in Govt No 2048-49 Revd dt 18-9-36 the centage charge recoverable from the State is subject to periodical revision so as to correspond with the rate that may be in force in the case of Travancore and Cochin. The Board accordingly recommends that the Centage charge at the rate of Rs 0-9-0 per cent may be recovered from the State also for a period of two years from 1-4-42. The Board's recommendation may be accepted.

4. Areas transferred to Orissa.

Sanction has already been accorded for the continuance during 1942-43 of the existing arrangements for the supply of lump drugs to these areas — Govt No 16 16 Revd dt 27-7-41. The Centage charge that is being recovered from the Orissa Govt is Rs 0-7-0 per cent of sales. The Board recommend that the Centage charge may be raised to Rs 0-9-0 per cent with effect from 1942-43. The Board's recommendation may be accepted and the Orissa Govt may be addressed

Subject to orders a draft letter to the Resident for Madras States and a draft letter to the Govt of Orissa are submitted for approval. The file may be sent to Finance for acceptance.

(N) (Revised)
for (T)

for Rs 1-5-0

43179 Acctts

SECRETARY TO GOVERNMENT
20 NOV 1941
FINANCE DEPARTMENT

Revised file

Revd No 2625 dt 4

FIN. 19/11/41

19/11/41

19/11/41

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May be a.r.w.f

20/11/41

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Tri no: 40179 Accts

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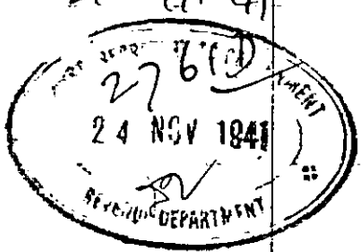
25.



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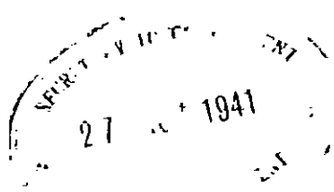
A.G. 24/11/41

C.I.B. 25.11.41.



Issued as Letter no 2625-Pol/41-2 dt 27.11.41 to the Resident for the Madras States, Trivandrum.

Issued as Letter no 2625-Pol/41-3 dt 27.11.41 to the Govt of Cochin.

From the Resident for the Madras States no P3. 3627/41 dt 26.11.41.

To A.S

Please see the letter from the Resident for the Madras States dt 26.11.41 received with P 13 cf. We have already addressed the Resident on the subject of continuance of the arrangements for the supply of ganja to the States of Travancore, Cochin and Pudukottai and the rate of carriage to be collected

from these States and also Pudukkottai - please see
A copy of the working sheet has also been sent to the Resident - p.5 c/r
the letter dy 27.11.41 at pp 9-10 cf. As the Residents
p 13 cf
letter dy 26.11.41 is despatched before the receipt of this
Govt letter dy 27.11.41, no action seems to be called for
p.
in that letter. The Resident's reply to the letter at
pp 9-10 cf may be awaited.

28/11/41

29.11.41
to
28/11

From the Resident for the Madras States, Trivandrum

No P3. 3827/41 dy 5.12.41.

To A.S

With reference to the letter at p 13 c/r and
the orders of A.S thereon, a draft Letter to
the Hon'ble the Resident in Mysore is submitted for approval.

13/12/41

13/12/41

From as Letter No 2625 C/41-4 dy 13.12.41 to the
Hon'ble the Resident in Mysore.

From the Resident for the Madras States No P. 3827/41
dy 7.1.1942.

To A.S

Please see the letter at pp 9-10 cf and the
reply at p 19 cf. The reply may be communicated to Board.

2. The following statement shows the
staff employed for the supervision of cultivation of
Ganja in 1933-36 and the staff employed

in 1940-41.

Staff in 1933-34	Staff in 1940-41.
One Asst Inspector for 6 months.	One Asst Inspector for 6 months.
One Asst Inspector for 3 months	One Asst Inspector for 3 months
Eight Sub Inspectors for 6 months	Eight Sub Inspectors for 6 months
62 peons for 6 months	62 peons for 6 months.
(Cost - Rs 5885 including special pay).	One Asst Inspector for 2½ months.
	A Four Sub Inspectors for 2 months
	64 peons for 2 months. (cost - Rs 12610 including specials)

The extra staff employed during 1940-41 was that referred to at 'A' above. The staff had to be increased to make the supervision work more adequate and effective - please see in this connection the Board's report and the Copies of the (S) Dy Comm's letters at pp 5-9 of Fin 649 Rev 8) 18.3.41. The Orchin Govt may be informed of this.

3. A ~~[illegible] of the Board of Revenue~~ draft letter to the Resident is ~~is~~ submitted for approval.

12.1.42
by
15/1

16/1/42
S

Aw
16.1.

AU

SECRETARY TO GOVERNMENT
16 JAN 1942
REVENUE DEPARTMENT

Issued as letter No. 2625 D/41-5 dt 16-1-42 to the Resident for the Madras States — pp 21-22 Cf.

From the Resident for the Madras States, No. P3 3627/41 dt 28-1-42. — p 20 Cf.

To A.S.

Please see the letter at pp 7-10 Cf. and the replies at pp 19 and 23 Cf. The Cochin, Travancore and Pudukkottai States have agreed to the proposal to continue the arrangements for the supply of ganja to them for a further period of two years at a centage charge of 9 annas per seer. The Board may be informed accordingly.

2. The Cochin State called for information relating to the increase in the strength of the supervising establishment and this was furnished. Reply from the Resident in Mysore regarding supply of ganja to the Sandur State may be awaited — p 1 Cf. — H 17-18

3. With reference to para 1 above draft memo is submitted for approval

Rep. to Resident in Mysore dt 16-3-42
Reply rec'd. 26-3-42

10-2.

Issued as Memo No 2625 D/41-6 dt 11.2.42 [Cir No. 969 D/42] from the Secy to the Resident in Mysore, Letter No B.S.1-40/Gen A dt 14.4.42 — H 25

To A.S.

Before 1-4-1906, the Sandur State grew a small quantity of ~~ganxx~~ ganja, the maximum area under ganja cultivation being only one acre. There was only one ganja shop in the State. The ganja was sold in this shop at one anna a tola, while the price in the adjoining British territory was four annas a tola. As the cultivation of ganja in the Sandur State and the low price at which the article was sold in that State afforded opportunities for smuggling of ganja into the adjoining British territory, it was considered advisable that the cultivation of ganja within the limits of the Sandur State should cease and that the State should, like other similar Indian States contiguous to the Presidency of Madras, obtain its supply from this Presidency on payment of the prevailing cost price and the prescribed rate of duty. The State's income from ganja was derived from only one source, namely, the fee paid by the shop-keeper which was Rs.365/- for 1905-06. The Darbar protested against the suppression of the ganja cultivation in the State without compensation and a compensation of Rs.400/- a year was agreed to be a reasonable set off against the loss of revenue on this account to the State. The Govt. of Madras accordingly agreed to pay to the Sandur State a compensation of Rs.400/- per annum with effect from 1-4-1906 subject to the following conditions:-

(1) that the Rajah effectively put down the cultivation of hemp in the state;

(2) that British Abkari officers not inferior in rank to a Sub Inspector ~~are~~ were allowed to patrol the villages in the State during the manufacturing season to see that cultivation had been effectively suppressed; and

(3) that the State obtained the ganja required for consumption therein from a Government Storehouse or from a licensed shop-keeper in British territory on payment of duty and cost price.

2. In 1913 the Sandur State asked for a revision of the existing agreement and suggested that duty on ganja consumed

to the compensation paid to it for surrendering the privilege of cultivation of ganja. After a good deal of correspondence, a revised arrangement for the supply of ganja to the Sandur State for a period of five years from 1-4-1937 was sanctioned in G.O. No.593, Rev., dated 15-3-1937. The terms of the new arrangement were as follows:-

(1) The ganja contractor of the Sandur State should purchase the ganja required for consumption in the State from the Govt. store house in the Madras Presidency or 90 per cent of the cost price to the stock holder in the Govt. storehouse, and of a centage charge to the Madras Government at a rate that might be fixed from time to time by the Madras Government. The supply from the Govt. storehouse would be authorised each time by the Commissioner of Excise, Madras, on the strength of an import certificate granted by the Sandur Durbar, and countersigned by the Agent to the Governor-General, Madras States, and on production of a chalan evidencing payment by the State contractor into a British ~~xxxxxx~~ treasury in the Presidency of the centage charge due to the Madras Government.

(2) The Darbar should adopt adequate measures to ensure that the price charged to the consumers in the State was not less than that prevailing in the adjoining districts of the Madras Presidency, a condition to this effect being inserted by the Darbar in the vend licences issued by it. In order to facilitate the observance of this condition, the Darbar should cause the prices prevailing in the State shop to be intimated from time to time to the British Inspector of Excise of the Hospet Circle and the latter should supply similar information to the officers of the Darbar.

(3) The Darbar should adopt adequate measures to the satisfaction of the Madras Govt. for the protection of the revenues derived by the Govt. of Madras from hemp drugs.

(4) The Darbar should prevent the cultivation of the hemp plant and should destroy the spontaneous growth of the plant throughout the State and should also effectively prevent the smuggling of the drug from or into British Territory. The Darbar should maintain sufficient preventive staff to enforce the above conditions.

(5) The sale of ganja in the State should be restricted to the licensed shop. The Darbar should not locate the shop nearer to the border than it is at present.

(6) The compensation of Rs.400/- (Rupees four hundred only) a year which had hitherto been paid to the State should cease from 1-4-1937, that is, the date on which this new arrangement came into force.

3. Under the arrangement sanctioned in G.O. 593, Rev., dated 15-3-37 and mentioned in para 2 above, the Sandur State was getting its supply of ganja on payment of a centage charge of Re.1-1-0 per seer. The Board recommended the renewal of the arrangements for a period of two years from 1-4-42, subject to the payment by the Sandur Darbar of a reduced rate of centage charge at Re.0-9-0 a seer. The Hon'ble the Resident in Mysore was asked to ascertain the views of the Sandur Darbar on the proposals of the Board.

4. The Resident in Mysore has now stated that the Sandur Darbar do not propose to renew the arrangements for the supply of ganja since they have decided to cultivate ganja in the State itself from this year and that till new supply of ganja is available within the State itself, they will procure their supplies from the warehouses either in the Madras Presidency or in Mysore.

5. Perusal is requested of paras 2 and 3 of the letter to the Agent to the Governor-General, Madras States, Trivandrum at p.83-84 of G.O.No.593-594, Revenue, dated 15-3-1937. This Government stated that the new arrangement was intended to be of a permanent nature. The rate of centage charge alone was liable to revision at the end of every five years.. The Darbar accepted the arrangement proposed. In the order issued on the G.O., however, the arrangement was sanctioned for a period of five years not as a permanent measure but only for a period of five years from 1-4-1937. The five years period has now elapsed and the Darbar do not propose to renew the arrangement

6. As regards the cultivation of ganja in the State, (proposed) (vide the Resident's letter on p 23 of, it may be noted the period above mentioned in that letter was to run out to such G.O 593 Rev dt 15.3.37 cultivation or - Cf.para 6 of letter on p.5 of (2) and para 6

The same G.O

on p.9 of ~~G.O. No. 594-594, Revenue, dated 15-3-1937~~. It appears, however, that the British Government have a right to prohibit the production in Indian States of commodities which may do injury to British revenues - vide Pub.(Pol.) Dept. note on p.125 of G.O. 593-594, Rev., dated 15-3-1937. Before addressing the Government of India in the matter, the Resident's letter may be sent to the Board for remarks. Draft Endorsement is submitted for approval. Public (Pol.) may see before issue. (L)

The papers of 1905 and connected records relating to the suppression of ganja cultivation in the Sandur State which are quoted in the Dewan's letter at pp.3-9 of G.O.Ms.No. 593-594, Revenue, dated 15th March 1937, have not been put up. They should be called for at once and put up as quickly as possible. In the meantime the Board's remarks on the Resident's letter at p.27 c.f. should be called for. Issue the draft Endt. at p.28 c.f.

2. Prima facie there ~~will~~ appear to be no serious objection to the Sandur State resuming cultivation of ganja within their territory provided that ~~the~~ conditions (2) and (5) in ~~letter~~ G.O No.593, dated 15th March 1937 are agreed to by the Darbar. These conditions provide that the price charged to the consumers in the State shall be not less than that prevailing in the adjoining districts of the Madras Presidency and that the sale of ganja in the State should be restricted to the one licensed shop which should not be located nearer to the ~~xxx~~ border than it is at present. This will prevent the smuggling of State ganja into British territory

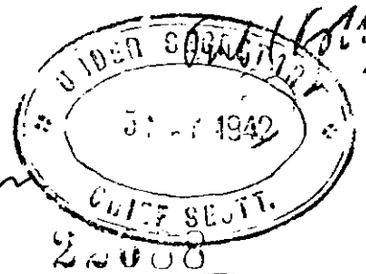
3. The constitutional position in this matter, as it obtained in 1935, is explained in the Public (Poll.) Dept. note at p.124-125 of G.O.No.593-594, Rev., dated 15-3-1937. Public (Poll.) may be asked to advise whether the position continues unchanged under the existing constitution.

A, Immediate Endt 2625 D/41-8 30.4.42

HB 30442 S (after issue)

Pub (Pol) are requested to advise in the A. G.'s note. A 4.5

Pub (Pol)



22000 6/5

Rem G.O. 2625 D/41-8 4.5.42

Public (Poll) Deptt

Under the existing Constitution H. E. the Crown Representative is in direct political relationship with all the Indian States the position explained on p.125 of GO No. 593-9 Rem. of 15-3-1937 would seem to be the same mutatis mutandis. However the Rem. Deptt may be requested to obtain the views of the Legal Deptt. with the above remarks the file may be returned to Rem.

Rem
7-5-42.

TAV

RA
7-5-42

Rem

RS.

Public Political
3268 P/42-1
12.5.42

Rem No. 2625 D/41-40
13-5-42

1136 D
13 MAY 1942

ASSISTANT SECRETARY
2889 C
15 MAY 1942
LEGAL DEPARTMENT

Legal Department.

The agreement in question was for a specific period and it has now ceased to be in force by efflux of time. So far as I can see there is nothing to prevent the State from refusing to enter into a fresh agreement if it does not want to.

Apart from the terms of any treaty, I can see no authority for the general proposition that "the British Government have a right to prohibit the production in an Indian State of commodities which may do injury to British revenue. Unless

p.125/n
Hal

an Indian State is bound by the terms of its treaty not to cultivate ganja in the State, there is nothing to prevent the state from cultivating the stuff. It is a question of fact whether the Sanad to the Sandur State imposes an obligation on the State not to cultivate ganja but to take all its supply from the Madras Province. If there is no such condition in the Sanad, I am afraid the British Government cannot prohibit ganja cultivation in the State.

Rec

SECRETARY TO GOVERNMENT 11 JUN 1942 REVENUE DEPARTMENT

Rec 10/6/42

I regret I could not look into this case earlier as accounts for large arrears should be accumulated by many offices.

Rec 13720 Madanapalle 13 JUN 1942 REVENUE DEPARTMENT

Ltr No 1435 D/42. from the Bd of Rev, Rajpur

Legal No 2889/42 11.6.42

TO A.S

With reference to the recent depts note above, the sanads granted to the Sandur Ruler from time to time were examined. No obligation has been imposed on the State not to cultivate ganja but to take all its supply from the Madras Province. On the other hand, the ruler has been given the entire management of revenue. This would normally include also civil revenue & incidentally the right to cultivate ganja in the state itself.

The Sanads on pp 288-289, 290-291 of vol X of Aitchison's "A Collection of Treaties, Engagements & Sanads". In the previous pages, the State's rights

to ~~xxx~~ produce its own ganja has not been disputed. It appears therefore that the Dasvan pastes cannot raise any objection to the Dasvan proposal to cultivate ganja in two State

2 The question arises as to what should be done to prevent smuggling of State ganja into this Province. It appears that in the interests of excise revenue, it will be necessary that the price charged to the Consumer in the State should be not less than that prevailing in the adjoining districts of this Province and that the sale of ganja in the State should be restricted to the one licensed shop which should not be located nearer to the border than it is at present — The Dy. Comr has suggested that the Dasvan may be asked to levy ~~an~~ a duty (equivalent to the duty levied in this Province) and Government not lower than Rs 1 per seer & to lease out the shop annually. The Dy has also suggested that the State may be requested to fix no maximum selling price but a minimum selling price of 8 annas per tola if they have no objection & to prescribe 3 tolas as the limit of private possession

For orders whether the Resident in Mysore may be addressed on the lines suggested by the Dy Comr and as at A above

Public (Pol) & Fin. Secs may please for remarks, if any

h.
25/6 Notes from page 7 above may be perused the Board's proposal may be approved and the Resident in Mysore addressed accordingly

1910
27642 $

If the position taken by Sandur State is to be accepted, shall be back in the pre-1906 position, which was evidently very unsatisfactory. If they State is under no obligation to consider the interests of this Province in the matter, it may refuse to agree to any safeguarding conditions & even if it agrees to them, they will be liable to be withdrawn at any time; even if suitable conditions were accepted & remained in force theoretically, they might not be properly enforced by the State & we should find it difficult to get any redress. The production of its own ganja by the State is likely to lead to smuggling & to friction between the State & this Govt It was no doubt for these reasons that the 1906 agreement was made, & to return now to the pre-1906 position seems very undesirable.

2. Legal Secy does not accept the view taken by Public (Pol.) in 1935 on the authority of Tuppers Indian Pol. Practice" that "the British Govt have a right to prohibit the production in Indian States of commodities which may do injury to British revenues" do not know what degree of authority attaches to Tupper's "Indian Pol. Practice". Will Public (Pol.) please say

whether they accept Legal Secy's view? If there is any doubt on the point, it may be desirable to get it cleared up by writing to H.E. the Crown Representative.

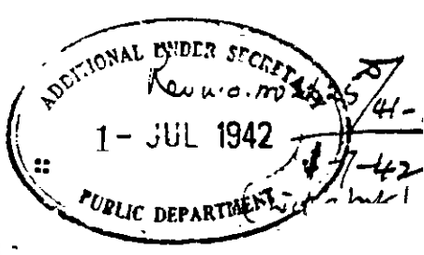
3. The terms which the State accepted in 1937 are those detailed in paras. 2 and 3 at pp. 83-84 of (L) and the enclosure at pp. 87-89. The letter of the A.G.G., Madras States, conveying the State's acceptance is at p. 91 of (L). According to these terms the arrangement was to be permanent, though the centage charge payable to this Govt was to be subject to revision from time to time, as it is intended to cover the actual costs incurred by this Govt. The arrangement was to replace the agreement of 1905, which in this Govt's view was a permanent agreement that could only be modified by agreement of both parties. It is unfortunate that it was stated in G.O. 593 of 15.3.1937 that the arrangement was permanent, though the centage charges then fixed were to apply for 5 years from 1.4.1937. But this cannot affect the fact that what the State accepted was a permanent agreement; in pursuance of it this Govt issued a G.O. sanctioning detailed arrangements for 5 years merely because they wished to reserve the right, as they were entitled to do under the agreement, to revise the centage charges after that period.

4. I would suggest that we write to the Mysore Resident explaining the position as set out in para. 3 above & saying that, in view of these facts, the Sandur State will no doubt be willing to drop its proposal (made under a misapprehension as to the nature of the existing agreement) to produce its own

ganja & will accept this Govt's proposal as to the centage charge to be fixed for 2 years from 1.4.42 p 1807 in puranance of the existing agreement. Meanwhile Pub. (Poll) will perhaps make a reference to H.E. the Crown Representative, if necessary, as suggested in para 2 above, as it is desirable to know whether there is any general principle in force under which the Sandur State's proposal to produce ganja could be contested in case (under colour of G.O. 593 of 15.3.37) the State persists in it & insists that the existing agreement has expired. The remarks of Pub. (Poll) & Fin. are invited before D.W.D. 1.7.42.

Pub. (Poll)

Fin.



Public (Poll.) Department.

On page 125 of G.O.No.593-594, Revenue dated 15-3-37, this Department noted that the Sandur Durbar could not terminate the arrangement which then existed at its will for the following three reasons:-

"(1) It is the duty of Indian States to co-operate with the British Government in fiscal affairs,

(2) No State may so arrange its fiscal affairs as to interfere with the operation of any general fiscal policy of the British Government, and

(3) The British Government have a right to prohibit the production in Indian States of commodities which may do injury to British Revenues.

The first reason will be evident from the opening sentence of para 185 on page 198 of Volume I of Tuppers Indian Political Practice and the second reason will be found in para 188-A on page 209 of the same volume. As regards the third reason, this Department apparently relied upon para 188-A in Volume I and the foot note on page 36 of the volume containing Addenda and Corrigenda to Tupper's volumes. The relevant sentence runs as follows:-

"They (The Kathiawar Chiefs) overlooked the fact that of the subjects included in the agreements, the prohibition of the cultivation, manufacture, export and import of opium was the right of the Paramount power, irrespective of any agreement on their part". This foot note is an addition to para 185-A in Volume I. Para 185 of that volume which deals with fiscal co-operation with Indian States, speaks of the measures adopted against detriment to the Imperial revenues derived from opium and salt and for the prevention of injury to the administration of excise on spirituous liquors in Br. territory. The para then goes on to discuss about opium first which is continued in para 185-A. The foot note referred to above also relates only to opium and not to excise administration and it does not therefore appear, that it can be said with certainty that this Government have a right to prohibit the production of ganja (an excise product) in the Sandur State, in view of the distinction made between opium, salt & excise admn?

Para 188-A in Volume I which summaries the position runs as follows:-

'SUMMARY

.88A.- The question of the fiscal co-operation of the Subordinate States with the Paramount Power does not appear to have ever been considered as a whole 'by the Government of India; and the obligations of the States 'in this behalf, other than obligations derived from express 'agreements, are nowhere fully defined. What may be called the "constitutional practice in the present matter is still in pro- "cess of settlement; and while the practice is gathering shape "under the pressure of new fiscal needs and rapid commercial "development, it would be a mistake to attempt to formulate "much. The conclusions here suggested must be taken as no more "than some inferences from the action above explained and by no "means as a series of propositions to which the Government of "India have given their assent. But as inferences two things at "least seem clear, namely--

(1) The Paramount Power has an undoubted right to levy in British territory such taxes as it thinks fit to impose, and to protect the revenues derived from the same; and

(2) No State may so manage its fiscal affairs as to interfere with the operation of any general fiscal policy of the British Government.

"There is probably nothing in all the various and sometimes "complicated arrangements mentioned above regarding salt, opium "and excise which is inconsistent with either of these proposi- "tions; and in connection with fiscal co-operation they are per- "haps the most general propositions which it is at present possible "to indicate as sound. Coming to the application of them as "illustrated in the arrangements described, we may say that when "a commodity is produced in a Native State, the British Government "may prohibit its import into or transport through British terri- "tory except on payment of duty, as clearly appears from the opium "pass system of Central India. When a commodity is consumed in "a Native State, the British Government may tax that commodity "in British territory, as in the cases of opium, salt, and spiri- "tuous liquors. If the commodity is also produced in a Native "State, the British Government may, by agreement with the State "concerned, acquire control of and tax the commodity at the source "of production, as it does at the great salt sources of Rajputana. "When a commodity taxed in British territory is produced, or is "capable of being produced in a Native State, the British Govern- "ment may itself take, or may require the State to take, such "measures as may be necessary to prevent the smuggling of that "commodity into Br. territory, or injury to British revenues "arising from the sale of the commodity at unduly low prices in "State territory. Such measures may be the establishment of a pre- "ventive line in Br. or State territory, such as the now abolished "Inland customs line, the line formerly surrounding the State "of Janjira, and the partly abolished Guzerat preventive line; "or the assimilation of system and prices in State territory "with those obtaining in Br. territory, by agreements which may "or may not include a lease of the management and collections for "a term of years, as in the case of the Bombay abkari agreements "generally. Or, if this is a sufficient safeguard in the parti- "cular locality, the States may prohibit the export of the com- "modity to Br. territory, as was arranged with many States in "connection with the abolition of the Inland customs line; or

again, the production of the commodity may, by agreement with the States concerned, be entirely suppressed or limited to a supply required for consumption within the State, the export of the commodity and its import being prohibited, unless the imported article be duly taxed or the tax thereon be duly reduced or remitted by British authorities."

From this it appears that it is open to this Government to adopt such measures as are necessary to prevent smuggling of Ganja into ~~the~~ Br. territory or injury to Br. revenues. In any case, it seems that the production of the commodity can only be entirely suppressed by agreement with the State and not otherwise/ -See 'A' above. ~~In the circumstances, it is submitted~~ that the ~~Resident may first be addressed on the lines suggested by~~ the ~~Board of Revenue and if the Sandur Darbar does not agree~~, the matter ~~may if necessary be referred to the~~ Crown Representative ~~Central Government.~~

With these remarks the file may be passed on to Finance.

Cee 7.7.42
Hla 8.7.42

A/ The Resident may be first addressed on the lines suggested by the Rev Secretary in para 4 thereon on p. 15 n. f. A reference may also be made to the Crown Representative as suggested by the Rev Secy.

9/7/42 SPR

U.S with Lawrie whom I remember met at Mysore. Would he like to attend the interview? British work-y-time

SPR

Fin

SECRETARY TO GOVERNMENT
10 JUL 1942
FINANCE DEPARTMENT

2808-1
10.7.42

Please see the notes from page 7 above. Fin (Retrd)

~~2 This dept may agree to the proposals at A and the case may be returned to Rev~~ of the Revenue Secy in paragraph 4 on pp 15–16 above.

Rev 16/7 17.7.42 15.7.42

Hla 17.7.42 Rev

3(1) Secy 17.7.42 16.7.42

10 A.S.

With reference to A at p 15 ante, may see the notes from p 7 above. A draft letter to the Resident for the Madras States is submitted for approval. After that, the file may be sent to Public (Poll) for addressing the Crown Representative as suggested in Secy's note at p 16 above and 'A' on page 19 ante.

17.7.42

20-7-42

O.K.
18/7/42

Draft letter may issue.
DWD
20.7.42

A4

Issue. I think it is clear that Sander, unlike Strike cannot break the agreement of 1937 unilaterally.

Issue today (M.O.)
DWD
22.7.42

22.7.42

CWC. 20.7.42
B&R PC. 58
Worthy Chief Minister
treaties etc.
RLO

Issued as Letter No. 2625 S/41-7 dated 22-7-1942

To Secretary,

H 3 3 1

The letter to the Hon'ble the Resident in Mysore has been issued.

The file may now be sent to the Public (Pol) Dept. for addressing the Crown Representative as suggested in Secy's note at p 16 ante. Please see also the note of Under Secy, Public, at A on p 19 ante.

DWD
23.7.42

23/7/42

22-7-42

ADDITIONAL UNDER SECRETARY
23 JUL 1942
PUBLIC DEPARTMENT

Public (Poll.) Department.

Rev U.O. 2625 S/42-7
23-7-42

A draft letter to the Secretary to H.E. the Crown Representative is submitted for approval. Revenue may see before circulation.

1637 D (with Mr. Hutchins' treaties etc)

1842 ... 0554 to Poll

Public (Political)
U.O. 554 to S/42-7
31/7/42

Cwc
28.7.42

C.S.

Rev
30/7

3r/718/65

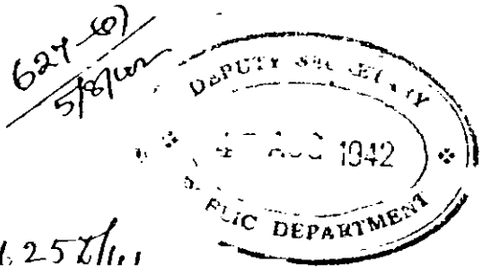
(210)

R.D

The notes from page 14 may be read. The draft letter may be perused & the file returned to Pub (Pol)

O.M.
1/8/42

624-(0)/5/8/42



Rev. U.O. 21.257/42

Aw
3.8.42

(with Mr Aitchison's treatise etc)

Pub. (Pol) Deptt.

(The draft letter is self-explanatory). for orders as to Circulation. The draft letter is for approval

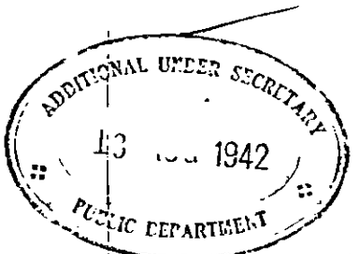
Cur
8.8.42

SR
7.8.42

AEa
5.8.42

AH 8/8/42

KE AH.
12/8/42



31-35 cf [Issued as letter No. 554-0/42-2 Pub(Pol) 18.8.42]

2073D
24.JG.1.2

Dr

The letter to the Secretary to H.E. the Crown Representative has issued. ~~Pending reply~~ with Pub. The file may now be sent to the Rev. Deptt. for Cur any action required before a reply from the Crown Representative is received. T.O.A.'s.

20.8.42

Rev. Deptt

The replies to the letters at P. 31-35 cf. may be awaited.

Rev.
AEa
20.8.42

Public Political
U.O. 554-(0)/42-3

Rev
25.8.42

24/8/42

AH
27/8/42

41.

2620 D 42

Public (Poll) Deptt.

[From the Secretary to H.E. the Crown Representative.

No. F. 118 (18) + B/42 dt 28.11.42.]

Please see this Govt's. letter to the Secretary to H.E. the Crown Representative at pp 33-35 C/F and this reply at pp. ~~33-35~~ 41-C. With reference to H.E the Crown Representatives views regarding the rulings in Tuker's Indian Political practice copies of the relevant Correspondence have been taken for record in this Deptt.

The file may now be returned to Rev.

Cue
11.12.42.

HB
11.12.42

12/12/42

Rev

Pub (Poll)
No. 5546 G/42
15.12.42

2625/D 42

Rev Deptt
final

20.12.42 The notes from page 42 above may be read. The reply from the Resident in Mysore to the letter at pp 31-32 C/F may be awaited. The suggestion at X on p 41 may be considered after the receipt of the Resident's final reply.

17/12/42

17/12/42 The letter from the Secretary to H.E. the Crown Representative at pp 41-43 C/F is for perusal we may first await the final reply of the Resident to the letter at pp 31-32 C/F. Please see the interim reply at pp 37-38 C/F

18/12/42

A4. 28/12/42

UNDER SECRETARY
12 DEC 1942
PUBLIC DEPARTMENT

ASST. SECRETARY TO GOVERNMENT
3050 D
16 DEC 1942
REVENUE DEPARTMENT

ASSTT. SECRETARY TO GOVERNMENT
22 DEC 1942
REVENUE DEPARTMENT

/ CNo ~~xxxx~~ 41D/42 } From the Secy to the Hon'ble the Resident in Mysore No B.S. 1-40/Gd4 dt 4-1-1943.

To Asst Secy

The notes from page 7 may be read

This file relates to an ~~xxxx~~ agreement being entered into with the Sandur State imposing an obligation ~~on~~ the Sandur State not to cultivate Ganja but to take all its supply from the Madras Provin For the previous history on this subject please see the notes at pp 7-10 ante. The arrangement which was last in force was that sanctioned in G.O. N. 593 Rev dt 15-3-1937. Under this arrangement the Ganja Contractor of the Sandur State should purchase the ganja required for consumption in the Sandur State from the Govt store house in the Madras Presidency on payment of the cost price to the stock holder in the Govt. storehouse and of a centage charge to the Madras Govt at a rate to be fixed from time to time by the Madras Govt; the Sandur Darbar itself collected the duty due to it. This arrangement was sanctioned for a period of five years from 1-4-1937 when a proposal for the renewal of the arrangement for a period of two years from 1-4-1942 was made it was reported that the Sandur Darbar did not propose to renew the arrangement as and that they had decided to cultivate ganja in the State itself. The Secy. to the Hon'ble the Resident

p 31-32 in Mysore

was informed that the arrangement ~~accepted~~ accepted in 1937 was a permanent one, the centage charge payable to this Government being alone subject to revision from time to time, and that this Govt. hoped that the Sandur state will not pursue its proposal to produce its own ganja.

A

p 33-35 cf.

At the same time (the facts of the case were reported to) the Secretary to H.E. the Crown Representative and he was requested to state whether there was any general rule or principle in force under which the Sandur State's proposal to produce its own ganja, which might prove detrimental to the revenues of this Province, could be contested, in case the State persisted and did not agree to this Government suggestion. The Secy. to H.E. the Crown Represents-tive has replied that unless a State voluntarily surrendered under some agreement its inherent right to produce its own supply of any drug, it cannot be forced by a neighbouring Provincial Government to prohibit the cultivation of such a drug within its territory for home consumption and that in the present case the arrangement accepted in 1937 cannot be regarded as per-manent subject to the revision of centage charge only from time to time. With reference to the Communication sent to the Secy. to the Hon'ble the Resident in Mysore he has stated that the Hon'ble the Resident had discussed the ca-

with the Rajah of Sandur, that the Sandur Darbar have no intention of resuming the cultivation of Ganja but that they plead for some token recognition of their right to from it. The Sandur Darbar is retaining the entire duty collected by it on the Ganja imported into the State from this Province. In view of the Darbar's plea for a token, the Hon'ble the Resident has suggested that the Darbar may be allowed to retain 3/4 ths of the duty collected and that in lieu of the other 1/4 th the Darbar may be granted an annual fixed Compensation equivalent to 1/4 th of the average duty collected per year during the five years for which the agreement of 1937 had been in force. As pointed out by the Hon'ble the Resident this would make no difference financially either to this Govt or to the Sandur Darbar. In view of this and in view of the fact that the Sandur Darbar wants some token recognition of their right to from ganja and in view of the ruling of H.E. the Crown Representative regarding the agreement of 1937 it is for orders whether the Hon'ble the Resident's suggestion at 'A' above will be accepted

A

This is not quite correct. It all depends upon how the average duty during the five years we compare with the duty likely to be realized in future. But the difference is likely to be as much in our favour as against us. PK 41-43 Govt 1912 1214

Pers (Pol) + Finance may see

PK. 11/4/43

the arrangement signed by the Resident phrases the Sandur Darbar

and does not hurt. We may agree to it

11 C
urgent
(Secret)

12/1/43 S

Ch
15/1/43
Pub (Pol)
Fin.

Resdo 2625/41
13-1-43

Pols. (Poll) Deptt.

The letter on p. 45 cf. and the notes ~~on pages~~ from p. ante, may be perused and the file passed on to Finance

Cee 16.1.43.
HPA 16.1.43

C. S. 15/1/43
SR 15/1/43

Cor! Bok

Resdo 2625 B/41
15.1.43.

Finance (Exp. A.)

(Previous file: note on p. 19 above.)
Notes from 1 to 24 and margin read.
Subd. that Finance may agree to the acceptance of the Resident's proposal referred to at A on p. 26 above

SECRETARIAT TO GOVT. 145-0 18 JAN 1943 CHIEF SECRETARIAT

19 JAN 1943 FINANCE DEPARTMENT GOVT

Pub (Pol) No. 145-0/43.1
19.1.43.

SWD

1517 PA
19.1.43

22.1.43.

28/1/43. 28/1/43

Bok

(L) It is most unfortunate that G.O. 593 of 15.3.1937 was wrongly worded (please see X on p. 15 N.F.). The result is that what the ~~State~~ Sandur Darbar accepted then as a permanent arrangement is now held by HE the Crown Representative to operate only as an agreement for 5 years which has now expired. In the circ we must be thankful that the Resident has been able to persuade the Darbar to make a fresh agreement for 5 years from 1.4.1942 with only a nominal change of terms to which we need not object. As the ruling of HE the Crown Representative is that, in default of an agreement, the Darbar has the right to grow ganja for

(X)

consumption in the State, we can hardly object to a token recognition "of that right" in the terms of the new agreement.

DWD 26.1.43 Rev.

Rev Dept

WO 1517 Exh. A.

26-1-43

27 JAN 1943

To A-S.

Please see the order from p24 above

A draft order to the Board of Revenue and a draft letter to the Hon. the Resident in Mysore submitted for approval

30/1/43.

30.1.43

1-2-43 S

3/2/43

216 D

A-3

A3 draft 2/2/43

M.O.

Excise : Supply of ganja seeds to Sandur State.

From the Secy to the Hon'ble the Resident in Mysore, letter no B.S.1-40 G+A dy 23.6.42 [Conf 1500 3/42]

To A.S.

Please see the letter from the Secy to the Hon'ble the Resident in Mysore in the C.F.

2/. Under an agreement entered into with the Govt the Sandur Darbar was getting its supply of ganja from the Province subject to certain conditions. The agreement expired on 31.3.42. The Darbar was not willing to renew the agreement and states that ganja would be cultivated in the State itself. The right of the State to cultivate ganja in the State has been admitted, but the question what safeguards should be adopted to prevent smuggling of ganja from the State into the Province separately under Consideration.

ppo in the file I above

file no 21:5:3/11 L.F I above

vide the new Legal Orders we get to be obtained on ... —

3/. There seems to be no objection to comply with the request of the Darbar for the supply of ganja seeds. The letter from the Resident may be forwarded to the Bd of Rev for necessary action. Draft Endt submitted for approval at p 2 C.F.

by 30.6.42.

30/6

30/6/42

† This should await orders on the file mentioned in para 2. I have taken the view that the agreement is a permanent one & that Sandur State is not entitled to withdraw from it without this Govt's consent.

D.W.D 2.7.42

Please see Secy's wks at p1 ante, and the orders in circulation at p20 ng in ff I above.

2 In view of the facts set forth in this Govt's letter No. 26250/41-7 d/22-7-1942 addressed to the Hon'ble the Resident in Mysore, it is presumed that the Sandur State will drop its proposal to produce its own ganja: In that case the question of supply of ganja seeds to the State will not arise. The Resident may perhaps be informed accordingly. For orders. DWD

Draft pl. DWD 23.7.42

Rlo 22/7/42 22.7.42

To Secretary

Draft letter submitted for approval.

Issued DWD 23.7.42

Rev. Dept

TO AS.

Mk 23/7/42 23.7.42

A fresh agreement has been sanctioned for a period of 5 years from 1.4.42 for the supply of Ganja to the Sandur State on certain Conditions. in G.O.MS. No 126-27 d/4.2.43. In view of this order the question of supply of Ganja seeds to the State for the Cultivation of Ganja by the State itself does not arise. The papers may be lodged and stitched with G.O. I No. 126-27 d/4.2.43. 19/2/43

Revenue Department.

C.No. 30 D/46C

Excise - Hemp drugs - Ganga - Supply to certain India n States and other Governments - Arrangements - Renewal - From the Board of Revenue, C.R.No.97 Abkari/46 XD dated 2-1-46.

To A.S.

Please see the Board's Reference in the C.F.

2. The Board has submitted proposals for the continuance of the supply of ganja (to the States of) Travancore, Cochin, Pudukkottai, Sandur, to the Government of Orissa and the Administration of Baluchistan at the existing rate of centage charge of 10 ~~as~~ annas per seer for a further period of two years from 1-4-46. The Board's proposals may be accepted except in regard to the Sandur State.

3. As regards Sandur, a fresh arrangement for the supply of ganja to the State was sanctioned for a period of 5 years from 1-4-42. This arrangement will expire on 31-3-47. The existing rate of 10 ~~as~~ annas per seer cannot therefore be continued for a period of 2 years from 1-4-46, as proposed by the Board of Revenue. It is for orders whether it may be continued for 1 year from 1-4-46 i.e., until 31-3-47.

4. The Board may be asked to submit in due course proposals for the continuance of the arrangement with the Sandur State from 1-4-47.

5. Subject to orders, three draft letters and a draft memo to the Board are submitted for approval. Finance and Public (Pol.) ~~need not~~ may see.

8.1.46.
8.1.46

8/1/46 S

9/1/46 Fin Pub (Pol)

Rev W.O 30 D/45-1

9-1-46.

ASSISTANT SECRETARY
9- JAN 1946
FINANCE DEPARTMENT

Finance (Sept)

Please see the Boards reference in the C.F and the note above. It is proposed to continue the supply of ganja to the states etc mentioned at A above at the existing rate of centage charge viz

This rate has been worked out afresh with reference to the cost of Staff etc incurred during 1943-4 and 1944-5 vide N 3-4 C~~r~~ 10 annas per seer. ~~The proposals involve neither gain nor loss financially to either party.~~

The drafts below may be perused and the file passed on to Public (Poll).

14.1.46

15.1.46

Public/Poll/ms

12.1.46.

12/1/46

Fin. no 1537 SgA
15.1.4

drafts I and III below may be perused and the case returned to Rev.

17/1/46

Revenue

16/1/46. Case 16.1.46.

Pub (poll)
235/46.1
17-1-46

The drafts may issue

18/1/46

Issue
18/1/46

A-1 (after issue)

Issued as letter No 30 D/46-2 dt 18.1.46
" " " 30 D/46-3 dt 18.1.46
" " " 30 D/46-4 dt 18.1.46
" " " 30 D/46-5 dt 18.1.46

23/1/46

c. 24/1/46

UNDER SECRETARY'S OFFICE 235 16 JAN 1946 PUBLIC DEPARTMENT

SECRETARY TO GOVERNMENT 23 JAN 1946 REVENUE DEPARTMENT

Rev Dept 3'5

p5 of
p8 of

To the Resident	Madras States No 303/46-2 dt 18.1.46.
From the Resident	" " No L 2b 328/46 dt 8.4.46

To AS

Please see the letter to the Resident for the Madras States on p5 of and the letter from the Resident on p8 of. A Copy of the Resident's letter may be communicated to the Bd of Rev

2. As regards the request in para 2 of the letter that Supply of ganja should be made without interruption according to requirements and that Cantage charges should be reduced suitably if there is a fall in the cost of production within the period of two years from 1.4.46, it is submitted that similar requests were made by the Travancore Govt in 1944 vide Resident's letter on p. 21 of G.O. 126-127 Rev dt. 2.43 and para 1-4 of this Govt's letter on pp 75-76 of the G.O. The Resident may be asked to invite the attention of the Travancore Govt to this Govt's letter dated 18.4.46 | They simply invite attention of the Govt Resident to their letter.

3. Subject to orders a draft letter and a draft letter are submitted for approval

18/4/46 18.4.46